



**Johnston Community School District  
Johnston, Iowa**

Comprehensive Annual Financial Report

Year Ended June 30, 2021



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
JOHNSTON COMMUNITY SCHOOL DISTRICT**

**Johnston, Iowa**

**Fiscal Year Ended June 30, 2021**

**OFFICIAL ISSUING REPORT**

**Jan Miller-Hook, Chief Financial Officer**

**OFFICE ISSUING REPORT**

**Business Office**



**Johnston Community School District**  
**Table of Contents**  
**June 30, 2021**

---

<b><u>INTRODUCTORY SECTION</u></b>	<b><u>Page</u></b>
Letter of Transmittal	1-4
Organizational Chart	5
Board of Education and School District Administration Officials	6
Certificates of Achievement/Excellence	7-8

**FINANCIAL SECTION**

Independent Auditor's Report	9-10
Management's Discussion and Analysis (MD&A)	11-20

<b><u>Basic Financial Statements:</u></b>	<b><u>Exhibit</u></b>	
Government-Wide Financial Statements:		
Statement of Net Position	A	22-23
Statement of Activities	B	24-25
Governmental Fund Financial Statements:		
Balance Sheet	C	26
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	D	27
Statement of Revenues, Expenditures and Changes in Fund Balances	E	28-29
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	F	30
Proprietary Funds Financial Statements:		
Statement of Net Position	G	31
Statement of Revenues, Expenses and Changes in Fund Net Position	H	32
Statement of Cash Flows	I	33-34
Notes to Financial Statements		35-57

<b><u>Required Supplementary Information:</u></b>	
Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in Balances – Budget and Actual - All Governmental Funds and Proprietary Fund	60
Notes to Required Supplementary Information - Budgetary Reporting	61
Schedule of the District's Proportionate Share of the Net Pension Liability	62
Schedule of District Contributions	63
Notes to Required Supplementary Information – Pension Liability	64
Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes	65

<b><u>Supplementary Information:</u></b>	<b><u>Schedule/Statement</u></b>
Combining, Subcombining and Individual Fund Financial Statements and Schedules:	
Non-major Special Revenue Funds:	
Combining Balance Sheet	1      67
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	2      68
Capital Projects Fund Accounts:	
Subcombining Balance Sheet	3      69
Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances	4      70
Proprietary Funds:	
Combining Statement of Net Position	5      71
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	6      72-73
Combining Statement of Cash Flows	7      74-75
Capital Assets used in the Operation of Governmental Funds:	
Schedule by Source	8      77
Schedule by Function and Activity	9      78
Schedule of Changes by Function and Activity	10     79
Other Financial Schedules:	
Schedule of Changes in Special Revenue Fund, Student Activity Accounts	11     81
Schedule of Revenues by Source and Expenditures by Function - All Governmental Funds	12     82

**Table of Contents, concluded**

<b><u>STATISTICAL SECTION (UNAUDITED)</u></b>	<b><u>PAGE</u></b>
Table of Contents	83
Net Position by Component	84-85
Expenses, Program Revenues and Net Revenues (Expenses)	86-87
General Revenues and Total Change in Net Position	88-89
Fund Balances - Governmental Funds	90-91
Governmental Funds Revenues	92-93
Government-Wide Revenues, by Source	94
Comparative Ratio of Debt Service to Governmental Funds Expenditures	96-97
Government-Wide Expenses, by Function	98
Other Financing Sources (Uses) and Change in Fund Balances - Governmental Funds	100-101
Comparisons of Growth in Revenue, Expenditures, Enrollment, Assessed Valuation and Tax Rates – General Fund	102
Assessed Value and Actual Value of Taxable Property	103
Property Tax Rates per \$1,000 Assessed Valuation	104
Principal Taxpayers and Employers	105
Property Tax Levies and Collections	106
Property Tax Rates	107
Property Tax Liability	108
Ratio of General Bonded Debt Outstanding	109
Outstanding Debt by Type	110-111
Legal Debt Margin Information	112-113
Debt Limit	114
Pledged Revenue Coverage	115
General Info	116
Demographic and Economic Statistics	117
Retail Sales	118
Bank Deposits	119
Residential Construction by Number of Dwelling Units	120
General Staffing Levels – General Fund	121
Operating Cost Per Pupil	122
General Analysis of Facilities	124-125
Schedule of Insurance Coverage	126-127
 <b><u>COMPLIANCE SECTION</u></b>	
Schedule of Expenditures of Federal Awards	129
Notes to Schedule of Expenditures of Federal Awards	130
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	131-132
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	133-134
Schedule of Findings and Questioned Costs	135-137



Johnston Community School District  
6510 NW 62<sup>nd</sup> Avenue, P.O. Box 10  
Johnston, IA 50131-0010 ph.515-278-0470 fax 515-278-5884  
Jan Miller-Hook, Chief Financial Officer

---

Members of the Board of Education and Residents of  
Johnston Community School District  
Johnston, Iowa

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the Johnston Community School District for the fiscal year ended June 30, 2021. The report has been prepared to conform to guidelines recommended by the Association of School Business Officials (ASBO) International and the Government Finance Officers Association (GFOA) of the United States and Canada.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed information is fairly stated in all material respects and is presented in a manner which sets forth the financial position and results of operations of the various funds of the District in accordance with generally accepted accounting principles, (GAAP). It includes all District funds. All disclosures necessary to enable a reader to gain maximum understanding of the District's financial activities have been included.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of States and Local Governments and Nonprofit Organizations. Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditor's report on internal control over financial reporting and on compliance and other matters, independent auditor's report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance, and a schedule of findings are included in the single audit compliance section of this report.

The 2021 Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit Compliance. The Introductory Section includes a transmittal letter, the District's organizational chart, a list of District officials, and the 2020 Certificate of Achievement for Excellence in Financial Reporting presented by the Government Finance Officers Association and the Association of School Business Officials.

The financial section consists of the independent auditor's report, Management's Discussion and Analysis, audited basic financial statements, required supplemental information, and combining and individual fund statements and schedules. The audited basic financial statements present both an overview and a broad long-term perspective of the School District as a whole in the government-wide financial statements. Management is responsible for preparing a Management's Discussion and Analysis (MD&A). This discussion immediately follows the independent auditor's report and provides a narrative overview and analysis of the basic financial statement.

The Statistical Section sets forth selected unaudited financial and demographic information, and is divided into five categories including financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information generally presented on a multi-year basis.

## **Profile of the Government**

School districts in Iowa operate with local control and have fiscal independence from other government entities. The District operates in compliance with the accounting principles generally accepted in the United States of America (GAAP) and currently prepares its financial statements per the Governmental Accounting Standards Board (GASB) Statement No. 34. A seven-member elected Board of Directors, serving staggered terms of four years, governs the Johnston Community School District. The Board of Directors is a policy-making and planning body whose decisions are carried out by school administrators. The District is subject to the general oversight of the Iowa Department of Education. This oversight generally includes an approval process that reviews compliance to standards enacted by legislative mandate.

The Johnston Community School District serves more than 38,000 people and covers 40 square miles in the northwest part of Polk County-Des Moines, Johnston, Urbandale, and Grimes. It is a thriving, growing suburb north of Iowa's capital of Des Moines with the Des Moines Metropolitan area including over 600,000 residents as of the 2010 census.

The District started as a one building district in 1914 and has grown to be the 13th largest of Iowa's 327 public school systems. The enrollment decrease from 7,106 students (certified) in 2019 to 7,004 students fall of 2020 and a decrease from 7,217 students served to 7,135 served was due to the COVID pandemic. The District continues to see this effect in our fall 2021 certified enrollment count of 6,986, a decrease of 18 students. However, our students served increased fall 2021 from 7,135 to 7,157, an increase of 22 students.

The District provides a full range of educational services appropriate to students in early childhood, preschool, transitional kindergarten, and grades kindergarten through twelve. These services include basic, regular and enriched academic education; special education for children with special needs; vocational education; and numerous individualized programs such as specialized instruction for students at-risk and for limited-English-speaking students.

In addition to the elementary, middle school and high school programs offered in the District, there are additional opportunities for achieving success. Students attend Metro West, an alternative school for students who function better in a less-structured environment. Students may also attend the Central Academy that affords additional opportunities for a greater breadth of classes.

The District serves these students in one high school, two middle schools and five elementary schools. Four of the elementary buildings are between fourteen and thirty-seven years old and one elementary is 63 years old. Our grades 6-7 middle school is seventeen years old, and our grades 8-9 middle school is forty-nine years old. The District has one high school which is now four years old. The District also operates a buildings and grounds/warehouse/transportation facility, a technology building located in the previous Wallace Annex, an older warehouse location, and District Office.

## **Economic Condition and Outlook**

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the country. The economic condition and outlook of the District have remained strong during the past ten years, and as a result, the District has experienced tremendous growth over the past several years. This growth has had a positive effect on employment and the District's tax base. The District has averaged 3.9% annual increase in the tax base over the past ten years. In fiscal year 2021, the increase was 7.7%. Prior to the pandemic, the District expected continued enrollment growth, but much smaller than the average over the last ten years of 84 students or approximately 1.2%. The average increase over the last 5 years prior to the pandemic had been 98 students, and the District is still projected to grow marginally for a few more years. The District has utilized a demographer to assist with enrollment projections.

Based on conservative projections, this trend is expected to continue well into the next decade. While having a positive impact, the small growth also presents challenges for the District. The District utilizes the maximum optional instructional support levy and will need to continue a high level of efficient use of human resources and facilities.

Retail sales, building permits, and population increases in the western suburbs have generally exceeded that of any other location in the metropolitan area or in the State of Iowa. These increases are expected to continue if economic conditions remain stable.

In recent years, the state of Iowa has faced an economic downturn that severely hampered its ability to fund schools at the same level as in prior years. The District has faced inadequate funding for state aid and other state-funded programs, and this has resulted in lower supplemental state aid. The lower funding has become the new norm with the last ten years averaging 2.0% supplemental state aid. The supplemental state aid has been complimented with increased enrollment (with the exception of two years) allowing the District to meet its needs without implementing budget cuts in recent years.

## **Major Initiatives**

It is projected that the district will continue to grow for the foreseeable future. To accommodate the district's growth, a facility plan was approved that included a new high school housing grades 10-12, renovations to the existing high school to house 8<sup>th</sup> and 9<sup>th</sup> grade students, renovations to the existing middle school to house elementary students by moving Wallace Elementary to that building along with all district preschool classes, and renovations to the current Wallace Elementary to meet district needs. The high school project was completed in 2017, Wallace Elementary was completed 2018, middle school completed renovations in the summers of 2019 and 2020,

and the administrative building (previous Wallace Elementary) renovations began late fall 2018 with completion fall 2019. This facility plan was funded through various sources including a bond referendum that passed in June 2014 for \$41 million, revenue bonds, and PPEL notes; this facility plan should meet the enrollment needs of the district for many years.

On March 2, 2021, the taxpayers, with an 82.03% approval, voted to extend the Voted Physical Plant and Equipment Levy (VPPEL) for another ten-year period starting with fiscal year ending June 30, 2024. In 2021, the VPPEL generated \$3.8 million. Also on March 2, 2021, the taxpayers, with an 88.34% approval, approved the District's Revenue Purpose Statement. Having this continual revenue stream approved as well as the purpose statement were crucial to our school district to maintain our buildings and technology.

Johnston Community School District is in its eighth year with digital learning environments. Johnston High School began their 1:1 in 2012, Johnston Middle School (8-9) came on board in 2015, and Summit Middle School (6-7) in 2016. Elementary schools were also part of the initiative with fourth and fifth grade classrooms at 1:1 and Kindergarten through 3<sup>rd</sup> grade being 2:1 as of last year. In order to meet learning needs through the pandemic, Johnston has now become a 1:1 school district for PK-12 students.

### **Relevant Financial Policies**

Since the funding formula is pupil driven, an increase in total spending authority occurs by increasing the number of pupils or by increasing the cost per pupil. The cost per pupil can be increased by the legislature in setting the amount of supplemental state aid each year. Under the law, the legislature has thirty (30) days after receiving the governor's budget recommendation to set the state percent of supplemental state aid for the following year. Adequate supplemental state aid is critical in funding the needs of our district.

### **Internal Control**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the District is also responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. As a part of the District's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the District has complied with applicable laws and regulations.

### **Budgetary Controls**

In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the District's governing body. Activities of the General Fund, Special Revenue Funds, Enterprise Fund, Debt Service Fund and Capital Projects Fund are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the budgeted amount) is established by function and encompasses all fund types. To facilitate the monitoring of the legal provisions, and to provide more complete information to interested parties, the District prepares a more detailed budget for each fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

As demonstrated by the statements and schedules included in the Management's Discussion and Analysis included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

### **Basis of Presentation**

The charts and accounts used by the District have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards and Audits of State and Local Government Units issued by the American Institute of Certified Public Accountants. In addition, the District's accounting records materially conform to the Uniform

Financial Accounting for Iowa Schools and Area Education Agencies issued by the State Department of Education and Chapter 11 of the Code of Iowa. The chart of accounts manual is updated annually and the District is materially in compliance with these requirements.

### **Independent Audit**

The Code of the State of Iowa requires an annual audit of the District to be performed by an accounting firm selected in a competitively bid process. The annual audit meets the requirements of the Code of Iowa, generally accepted auditing standards and the requirements of the 1996 Amendment to the Single Audit Act, and the Uniform Guidance. The auditor's report on the general-purpose financial statements and combining and individual fund statements is included in the financial section of this report.

The auditor's reports related specifically to the single audit are included in a separate section for internal controls and compliance. As a recipient of federal, state and county financial assistance, the District is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. The internal control procedures are subject to periodic evaluation by management and external auditors.

As part of the District's audit, tests are made to determine the adequacy of the internal control over financial reporting and its compliance with applicable laws and regulations, including those related to major federal award programs. The results of the District's audit for the fiscal year ended June 30, 2021 noted no material weaknesses in the internal controls over financial reporting or for compliance issues.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Johnston Community School District for its comprehensive annual financial report for the fiscal year ended June 30, 2020. The Certificate of Achievement is the highest form of recognition for excellence in state and local financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The Johnston Community School District has received this award annually for the last fifteen years. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District also received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials (ASBO) upon recommendation of the Association's Panel of Review, which has judged that the report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program. A certificate is valid for a period of one year. The Johnston Community School District has received this award for nineteen years, and we are submitting this report to ASBO to determine its eligibility for another certificate.

### **Acknowledgements**

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire central administrative support staff and our auditors, Van Maanen, Sietstra, Meyer & Nikkel, PC. Finally, we would like to thank the Board of Education for their continued interest and support in conducting the financial operations of the District in a most responsible and progressive manner.

We are pleased to present this report of the results of the District's financial operation for the fiscal year ended June 30, 2021. It is our hope that study and review of this report will provide a better understanding of the District's financial operation for the District patrons.

Respectfully submitted,

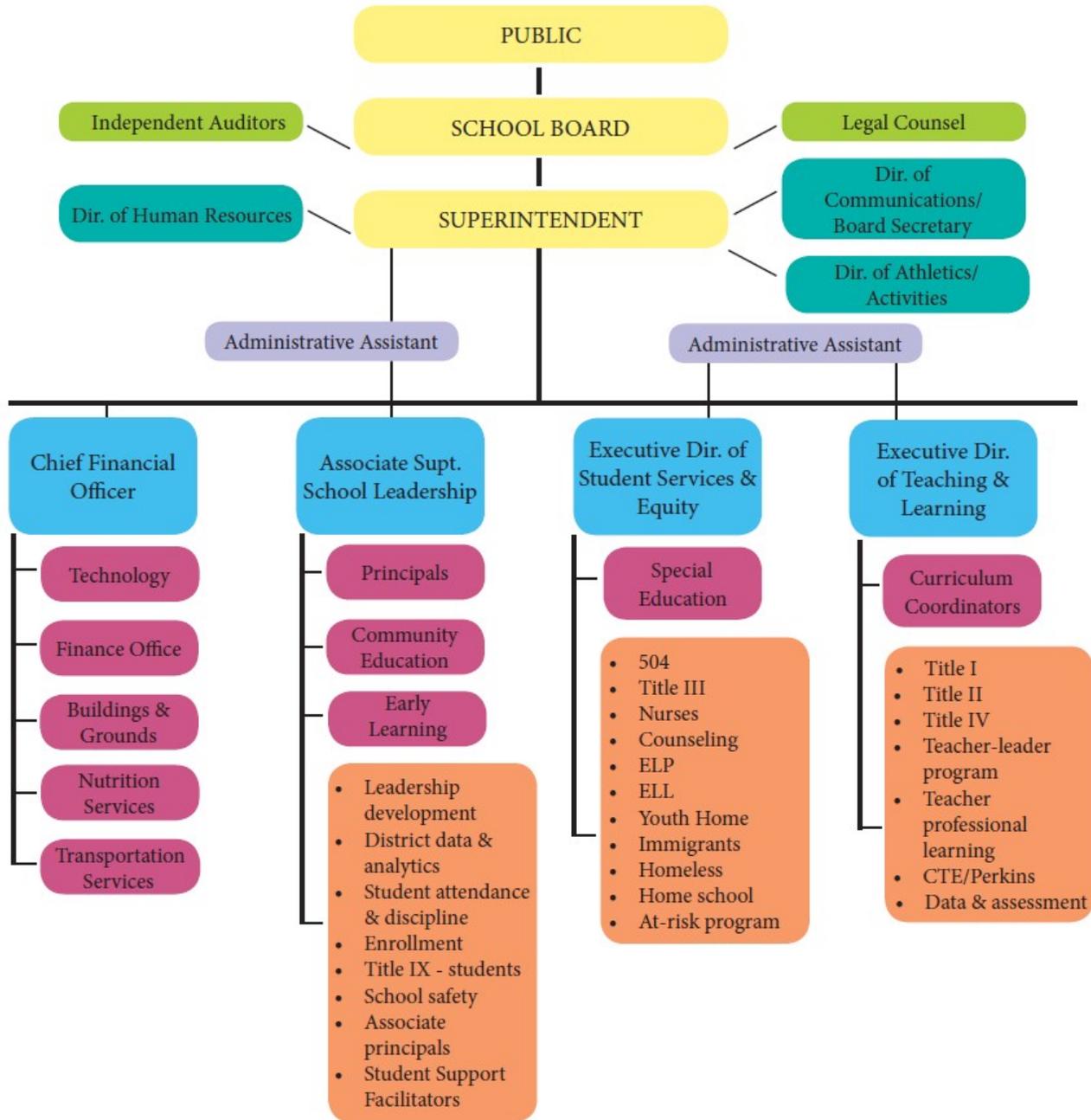


Jan Miller-Hook  
Chief Financial Officer



Laura Kacer  
Superintendent

Johnston Community School District  
 Organizational Chart  
 June 30, 2021



**Johnston Community School District  
Board of Education and School District Administration  
Year Ended June 30, 2021**

---

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
<b>Board of Education</b>		
Justin Allen	President	2021
Dr. Jeanie Kerber	Vice President	2021
Steven Hopper	Board Member	2021
Jennifer Chamberland	Board Member	2023
Alicia Clevenger	Board Member	2023
Soneeta Mangra-Dutcher	Board Member	2023
Katie Fiala	Board Member	2023

**School District Administration**

Laura Kacer	Superintendent of Schools
Dr. Bruce Amendt	Associate Superintendent of Academic Services
Jan Miller-Hook	Chief Financial Officer
Dr. Nikki Roorda	Executive Director Teaching and Learning
Ryan Eidahl	Director of Business Services
Scott Kruthoff	Director of Community Education
Bob Devens	Director of Buildings and Grounds
LaRae Doll	Director of Nutrition & Food Services
Tony Sparks	Director of Technology
Ryan Woods	High School Principal
Randy Klein	High School Associate Principal
Nate Zittergruen	High School Associate Principal
Brent Riessen	Middle School Principal
Raine Mollenbeck	Middle School Associate Principal
Chris Billings	Summit Middle School Principal
Jerry Stratton	Summit School Associate Principal
Josh Tobey	Director of Athletics and Activities
Melissa Crosse	Assistant Director of Athletics and Activities
Tom Bartello	Lawson Elementary Principal
Kelley Harrison	Timber Ridge Elementary Principal
Lindsey Cornwell	Horizon Elementary Principal
Suzie Pearson	Wallace Elementary Principal
Eric Toot	Beaver Creek Elementary Principal
Vickie McCool	Director of Special Education
Joy Wiebers	Director of Student Support & Equity
Laura Sprague	Director of Communications
Joy Palmer	Director of Johnston Early Learning Academy



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Johnston Community School District  
Iowa**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO



The Certificate of Excellence in Financial Reporting  
is presented to

## Johnston Community School District

for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2020.

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink that reads 'W. Edward Chabal'.

---

W. Edward Chabal  
President

A handwritten signature in black ink that reads 'David J. Lewis'.

---

David J. Lewis  
Executive Director



705 Main Street  
Pella, IA 50219  
Ph.: 641-628-3737  
Fax: 641-628-3757

[www.vanmaanencpa.com](http://www.vanmaanencpa.com)

**Van Maanen, Sietstra, Meyer & Nikkel, PC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

## **Independent Auditor's Report**

To the Board of Education  
Johnston Community School District  
Johnston, Iowa

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Johnston Community School District, Johnston, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Johnston Community School District as of June 30, 2021, and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

## Other Matters

### *Required Supplementary Information*

U.S. generally accepted accounting principles require Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the District's Proportionate Share of the Net Pension Liability, the Schedule of District Contributions and the Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes on pages 11 through 20 and 60 through 65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Johnston Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2020, (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 12, including the Schedule of Expenditures of Federal Awards required Title 2, *U.S. Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

### Other Reporting Required by Government Auditing Standards

In accordance with *Governmental Auditing Standards*, we have also issued our report dated November 15, 2021, on our consideration of the Johnston Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Johnston Community School District's internal control over financial reporting and compliance. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion.

*Van Maanen, Sietstra, Meyer & Nikkel PC*

Van Maanen, Sietstra, Meyer & Nikkel, PC  
Certified Public Accountants

November 15, 2021

This section of the Johnston Community School District annual financial report presents the readers of the District's financial statements a narrative overview and analysis of the financial activity of the District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. Professional standards require the inclusion of certain comparative information in the Management's Discussion and Analysis (MD&A).

### **Financial Highlights**

- For the year ended June 30, 2021, the District reported an increase in combined total governmental and business-type activities net position of \$14,423,150 compared to an increase of \$6,163,818 during the year ended 2020.
- Total revenues for the fiscal year ended June 30, 2021 and 2020 of \$120,826,252 and \$116,348,896 were comprised of General Revenues in the amount of \$91,571,904 and \$89,114,661 and Program Revenues totaling \$29,254,448 and \$27,234,235 respectively.
- As of June 30, 2021, the District's governmental funds reported combined ending fund balances of \$49,645,319, an increase of \$11,187,914 in comparison with 2020. This compares with June 30, 2020 balance of \$38,457,405, an increase of \$757,702 in comparison with 2019. This increase for year ending 2021 consists primarily of an increase of \$8.1 million in the Debt fund due to a pre-levy for future callable bonds put into escrow, an increase of \$283,740 capital funds, an increase of \$538,415 in categorical balances due to limited travel/professional development during the COVID pandemic, a decrease in student activity funds of \$113,570 due to decreased gate receipts because of low admittance into activities, a decrease of \$865,236 in the Management fund due to a lower levy, and an increase of \$3.3 million in the Unassigned fund balance due to increasing the cash reserve levy from \$1.5 million in fiscal year 2020 to \$3.9 million for fiscal 2021.
- As of June 30, 2021, Unassigned fund balance for the General Fund was \$13,781,660 or 16.0% of total General Fund expenditures. This is an increase from the balance on June 30, 2020 of \$10,518,726 or 12.4% of expenditures. This increase is due to the higher \$3.9 million cash reserve levied, approximately \$600,000 lower transportation costs due to the COVID pandemic affecting school routes as well as the limited activity transportation costs incurred, and then offset by 3.1% new money (state supplemental aid 2.06% and decreased enrollment), controlled staffing, the continuation of \$650,000 budgeted for curriculum resources in lieu of textbook adoptions.

### **Using This Annual Report**

This annual report consists of a series of financial statements and other information, as follows:

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.
- The *Government-wide Financial Statements* consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of Johnston Community School District as a whole and present an overall view of the District's finances.
- The *Fund Financial Statements* tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Johnston Community School District's operations in more detail than the government-wide financial statements by providing information about the most significant funds. The remaining financial statements provide information about activities for which Johnston Community School District acts solely as an agent or custodian for the benefit of those outside of the District.
- The *Notes to Financial Statements* provide additional information essential to a full understanding of the data provided in the basic financial statements.
- The *Required Supplementary Information* further explains and supports the financial statements with a comparison of the District's budget for the year, the District's proportionate share of the net pension liability and related contributions, as well as presenting the Schedule of funding Progress for the Retiree Health Plan.
- The *Supplementary Information* provides detailed information about the nonmajor governmental funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the District.



Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the management's discussion and analysis highlights the structure and contents of each of the statements.

<b>Figure A-2 Major Features of the Government-wide and Fund Financial Statements</b>			
	Government-wide Statements	Fund Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services and adult education
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenues, expenses and changes in fund net position</li> <li>• Statement of cash flows</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflow/inflow information	Consumption/ acquisition of net position that is applicable to a future reporting period	Consumption/ acquisition of fund balance that is applicable to a future reporting period	Consumption/ acquisition of net position that is applicable to a future reporting period
Type of inflow/ outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

## Reporting the District's Financial Activities

### Government-wide Statements

The Government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets, deferred outflow of resources, liabilities and deferred inflow of resources, with the difference reported as net position. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two Government-wide financial statements report the District's *net position* and how it has changed. Net position – the difference between the District's assets, deferred outflow of resources, liabilities and deferred inflow of resources – are one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position is an indicator of whether financial position is improving or deteriorating. To assess the District's overall health, additional non-financial factors, such as changes in the District's property tax base and the condition of school buildings and other facilities, need to be considered.

In the Government-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property tax and state aid finance most of these activities.
- *Business-type activities*: The District charges fees to help cover the costs of certain services it provides. The District's school nutrition, community education and community preschool programs are included here.

### Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs.

Some funds are required by state law and by bond covenants. The District establishes other funds to control and manage money for particular purposes, such as accounting for student activity funds or to show that it is properly using certain revenues such as federal grants.

The District has two kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

The District's governmental funds include the General Fund, the Special Revenue Funds, the Debt Service Fund and the Capital Projects Fund.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances and can be found on pages twenty-six through thirty of this report.

- *Proprietary funds*: Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The District's Enterprise Funds, one type of proprietary fund, is the same as its business type activities but provides more detail and additional information, such as cash flows. The District currently has three enterprise funds: School Nutrition, Community Preschool, Community Childcare and Community Education. Internal service funds are used to report the same functions presented as governmental activities in the government-wide financial statements. The District maintains one internal service fund to account for the premium and claim payments for the self-insured health insurance and dental insurance plans for District employees. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. Because the service provided by the District predominately benefits governmental, rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 31 through 34 of this report.

**Johnston Community School District  
Management's Discussion and Analysis  
Year ended June 30, 2021**

The required financial statements for proprietary funds include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows.

**Government-wide Financial Analysis**

The District's financial position is the product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The district levied \$8.1 million surplus school capital and equipment levy for bonds callable June 1, 2022.

**Net position** - Figure A-3 below provides a summary of the District's net position for the year ended June 30, 2021 compared to June 30, 2020.

	Figure A-3 Condensed Statement of Net Position						
	Governmental activities		Business type activities		Total	Total Change	
	June 30,		June 30,		June 30,	June 30,	
	2021	2020	2021	2020	2021	2020	2020-2021
Current assets	\$ 121,004,000	\$ 107,286,173	4,477,603	3,450,082	125,481,603	110,736,255	13.3%
Capital assets, net	193,849,708	198,673,656	659,564	745,644	194,509,272	199,419,300	-2.5%
<b>Total assets</b>	<b>314,853,708</b>	<b>305,959,829</b>	<b>5,137,167</b>	<b>4,195,726</b>	<b>319,990,875</b>	<b>310,155,555</b>	<b>3.2%</b>
Deferred outflows of resources	10,512,669	10,408,330	848,410	654,214	11,361,079	11,062,544	0.0%
<b>Total deferred outflows of resources</b>	<b>10,512,669</b>	<b>10,408,330</b>	<b>848,410</b>	<b>654,214</b>	<b>11,361,079</b>	<b>11,062,544</b>	<b>0.0%</b>
Current liabilities	24,555,901	24,456,607	622,416	436,401	25,178,317	24,893,008	1.1%
Long-term liabilities	127,218,005	129,640,422	3,074,403	2,734,980	130,292,408	132,375,402	-1.6%
<b>Total liabilities</b>	<b>151,773,906</b>	<b>154,097,029</b>	<b>3,696,819</b>	<b>3,171,381</b>	<b>155,470,725</b>	<b>157,268,410</b>	<b>-1.1%</b>
Deferred inflows of resources	49,781,034	52,306,107	434,502	401,039	50,215,536	52,707,146	0.0%
<b>Total deferred inflows of resources</b>	<b>49,781,034</b>	<b>52,306,107</b>	<b>434,502</b>	<b>401,039</b>	<b>50,215,536</b>	<b>52,707,146</b>	<b>0.0%</b>
Net Position:							
Net investment in capital assets	103,892,118	99,309,022	659,564	745,644	104,551,682	100,054,666	4.5%
Restricted	34,875,046	26,824,464	-	-	34,875,046	26,824,464	30.0%
Unrestricted	(14,955,727)	(16,168,463)	1,194,692	531,876	(13,761,035)	(15,636,587)	-12.0%
<b>Total net position</b>	<b>\$ 123,811,437</b>	<b>\$ 109,965,023</b>	<b>1,854,256</b>	<b>1,277,520</b>	<b>125,665,693</b>	<b>111,242,543</b>	<b>13.0%</b>

As noted earlier, net position may serve over time as a useful indicator of a government entity's financial position. A significant portion of the District's total net position reflects its investment in capital assets (land and improvements, buildings and improvements, vehicles, furniture and equipment, and construction in progress) less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. The District's total net position increased from a year ago \$111,242,543 to \$125,665,693. The governmental activities net position increased \$13,846,414 and the business type activities net position increased \$576,736.

A significant portion of the District's total assets reflects its investment in capital assets. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. The District's net position invested in capital assets, net of related debt, was \$104,551,682 for 2021 and \$100,054,666 for 2020.

Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Long-term debt liabilities will be repaid through future property and sales taxes collections. Bond debt retirement for the year was \$5,045,000.

Property tax, sales tax, and unrestricted state grants account for 74.9% of the total revenue. The District's expenses primarily relate to instruction and support services that account for 76.4% of the total expenses.

**Johnston Community School District  
Management's Discussion and Analysis  
Year ended June 30, 2021**

---

The restricted portion of the District's net position (27.8% for 2021 and 24.1% for 2020) represents resources that are subject to external restrictions in how they may be used. Restrictions for 2021 include \$5,736,015 for school infrastructure, \$1,477,856 for physical plant and equipment levy, \$102,842 for internal services, \$495,297 for other special revenue purposes, \$19,711,720 for debt service, \$5,235,184 for management levy, and \$2,116,132 for state categorical funding. The remaining balance of unrestricted net position, (\$13,761,035) for 2021 and (\$15,636,587) for 2020, is in a deficit position, due to the unfunded net pension liability and net other postemployment benefit (OBEB) liability. Additionally, part of the deficit position for 2021 is due to the COVID pandemic school closure resulting in a loss of revenue during that time period.

At the end of the current fiscal year, the Johnston Community School District is unable to report positive balances in all three categories of net position. GASB 68 was implemented during 2015 creating a deficit unrestricted net position. It should be noted this is a book entry of a negative amount and not an actual deficit of cash.

The District's total net position increased by \$14,423,150 during the current fiscal year as compared to an increase of \$6,163,818 in 2020. The governmental activities net position increased by \$13,846,414 in 2021 and increased by \$7,026,240 in 2020. The business type activities (which include nutrition, childcare, community education, and community preschool) increased by \$576,736 in 2021 as compared to a decrease of \$862,422 in 2020. The reason for the change in business type activities is partially due to a transfer from the general fund to the childcare and community education funds to offset the COVID pandemic school closure in the prior year which incurred disrupted revenues with a continuation of expenses.

**Governmental Activities**

Revenues for governmental activities were \$72,075 and expenses were \$101,428,273 for the year ended June 30, 2021. Net position increased by \$13,846,414.

Figure A-4 highlights the District's revenues and expenses for the fiscal year ended June 30, 2021 and 2020. These two main components are subtracted to yield the change in net position. This exhibit utilizes the full accrual method of accounting. Revenue is further divided into two major components: program revenue and general revenue. Program revenue is defined as charges for services and sales, operating and capital grants and contributions. General revenue includes taxes and unrestricted grants such as state foundation support.

Expenses are shown in programs including instruction, support services, non-instructional programs and other expenses.

**Johnston Community School District  
Management's Discussion and Analysis  
Year ended June 30, 2021**

**Figure A-4  
Changes in Net Position**

	Governmental activities		Business type activities		Total District		Total
	Year ended June 30,		Year ended June 30,		Year ended June 30,		Change
	2021	2020	2021	2020	2021	2020	2020-2021
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 6,839,469	\$ 7,327,440	1,792,903	3,950,677	8,632,372	11,278,117	-23.5%
Operating grants and contributions	17,360,702	14,372,672	3,261,374	1,583,446	20,622,076	15,956,118	29.2%
General revenues:							
Local taxes	48,125,767	45,309,062	-	-	48,125,767	45,309,062	6.2%
Statewide sales, services and use tax	7,092,979	7,313,864	-	-	7,092,979	7,313,864	-3.0%
State grants	35,223,836	34,193,211	-	-	35,223,836	34,193,211	3.0%
Investment earnings	356,158	967,018	-	-	356,158	967,018	-63.2%
Other	773,164	1,331,506	-	-	773,164	1,331,506	-41.9%
Total revenues	115,772,075	110,814,773	5,054,277	5,534,123	120,826,352	116,348,896	3.8%
<b>Expenses:</b>							
Program expenses:							
Instruction	68,674,883	70,414,755	-	-	68,674,883	70,414,755	-2.5%
Support services - students & staff	5,824,320	5,739,161	-	-	5,824,320	5,739,161	1.5%
Support services - administration	6,813,756	6,671,235	-	-	6,813,756	6,671,235	2.1%
Operations and maintenance	9,276,356	8,113,422	-	-	9,276,356	8,113,422	14.3%
Transportation	4,133,351	4,692,702	-	-	4,133,351	4,692,702	-11.9%
Non-instructional activities	53,266	186,302	4,974,929	6,204,227	5,028,195	6,390,529	-21.3%
Other	6,652,341	8,163,274	-	-	6,652,341	8,163,274	-18.5%
Total expenses	101,428,273	103,980,851	4,974,929	6,204,227	106,403,202	110,185,078	-3.4%
Excess (deficiencies) before transfers	14,343,802	6,833,922	79,348	(670,104)	14,423,150	6,163,818	134.0%
Transfers	(497,388)	192,318	497,388	(192,318)	-	-	-
Change in net position	14,846,414	7,026,240	576,736	(862,422)	14,423,150	6,163,818	134.0%
Net Position beginning of year	109,965,023	102,938,783	1,277,520	2,139,942	111,242,543	105,078,725	5.9%
Net Position end of year	\$ 123,811,437	\$ 109,965,023	1,854,256	1,277,520	125,665,693	111,242,543	13.0%

**Business Type Activities**

Revenues of the District's business-type activities were \$5,054,277 and expenses were \$4,974,929 for the year ended June 30, 2021. Net position increased \$576,736. The District's business-type activities include the School Nutrition, Community Preschool, Community Education, and Community Childcare Funds. Revenues of these activities were comprised of charges for service and federal and state reimbursements.

**Individual Fund Analysis**

- The financial performance of the District as a whole is reflected in its governmental funds as well. On June 30, 2021, the District's governmental funds reported combined fund balances of \$49,645,319 compared to the 2020 ending fund balances of \$38,457,405. The \$11,187,914 increase for year ending 2021 is primarily due to an increase of \$8.1 million in the Debt fund due to a pre-levy for future callable bonds put into escrow, an increase of \$283,740 capital funds (School Infrastructure and PPEL), an increase of \$538,415 in categorical balances as a result of limited travel/professional development during the COVID pandemic, a decrease in student activity funds of \$113,570 due to decreased gate receipts because of low admittance into activities, a decrease of \$865,236 in the Management Fund due to a lower levy, and an increase of \$3.3 million in the Unassigned Fund balance due to increasing the cash reserve levy from \$1.5 million in fiscal year 2020 to \$3.9 million for fiscal 2021.

**Governmental Fund Highlights**

- The General Fund is the chief operating fund of the District. At the end of the current fiscal year, Unassigned fund balance of the General Fund was \$13,781,660 and \$10,518,726 for 2021 and 2020, respectively while total fund balance reached \$15,971,161 in 2021 and \$12,146,145 in 2020. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance of \$13,781,660 represents 16.0% of total General Fund expenditures, and total fund balance of \$15,971,161 represents approximately 18.6% of that same amount for 2021. For fiscal year 2020, unassigned fund balance of \$10,518,726 represents 12.4% of total General Fund expenditures, while total fund balance of \$12,146,145 represents approximately 14.3% of that same amount. This increase is due to the higher \$3.9 million cash reserve levied, approximately \$600,000 lower transportation costs due to the COVID pandemic affecting school routes as well as the limited activity transportation costs incurred, and then offset by 3.1% new money (state supplemental aid 2.06% and decreased enrollment), controlled staffing, the continuation of \$650,000 budgeted for curriculum resources in lieu of textbook adoptions.
- The Debt Service Fund balance increased from \$11,130,362 June 30, 2020 to \$19,755,806 June 30, 2021. The increase in the Debt Service fund balance is due to a \$8.1 million pre-levy to call bonds in the future as well as commercial and industrial replacement revenue not used to offset debt service levy.
- The Capital Projects Fund balance decreased from \$8,471,611 June 30, 2020 to \$8,187,871 June 30, 2021. This decrease is due to capital improvement payments made during fiscal year 2021.
- The non-major special revenue funds balance decreased \$978,806 due to a decrease in the Management Fund levy and a decrease in the Student Activity gate revenues from limited attendance at activities during the COVID pandemic.

**Proprietary Fund Highlights**

The School Enterprise Funds net position increased from \$1,277,520 on June 30, 2020 to \$1,854,256 on June 30, 2021 for an increase of \$576,736 primarily due to increased federal funding for the Nutrition Fund and a transfer from the general fund to the childcare and community education funds to offset the COVID pandemic school closure in the prior year which incurred disrupted revenues with a continuation of expenses

**Budgetary Highlights**

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds, except for internal services, private-purpose trusts and agency funds. Although the budget document presents functional area expenditures or expenses by fund, the legal level of control is at the aggregated functional level, not at the fund or fund type level. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the accrual basis. Schedules showing the original and final budget amounts compared to the District's actual financial activity are included in the required supplementary information section of this report.

**Legal Budgetary Highlights**

As allowed by GASB Statement No. 41, *Budgetary Comparison Schedules – Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. In accordance with the Code of Iowa, the Board of Education annually adopts a program budget for all funds except internal service and agency funds as described in the note to required supplementary information.

A comparison of actual expenditures/expenses of the District's budgeted funds with the final program budget amounts is as follows:

	Final Budget	Actual	Variance
Instruction	\$ 66,025,250	61,528,596	4,496,654
Support services	28,625,500	25,872,057	2,753,443
Non-instructional programs	7,156,579	4,495,265	2,661,314
Other	24,521,326	17,165,784	7,355,542
<b>\$</b>	<b>126,328,655</b>	<b>109,061,702</b>	<b>17,266,953</b>

"Other" expenditures variance is due to construction project expenditures not meeting projected cash flows, always a difficult estimate.

**Capital Assets and Debt Administration**

**Capital Assets**

At June 30, 2021, the District had invested \$194,509,272 net of accumulated depreciation, in a broad range of capital assets, including land, buildings, athletic facilities, computers, audio-visual equipment, and furniture and equipment. This compares to the June 30, 2020 balance of \$199,419,300. See Figure A-5.

The original cost of the District's capital assets was \$271,022,136. Governmental funds account for \$258,532,555, Enterprise funds \$3,204,320, and the remainder is land at \$9,285,261.

The following schedule represents capital asset balances net of depreciation for the fiscal year ended June 30, 2021.

	Governmental activities		Business type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2021	2020	2021	2020	2021	2020	2020-2021
Land	\$ 9,285,261	\$ 9,285,261	-	-	9,285,261	9,285,261	0.0%
Construction in progress	-	1,220,708	-	-	-	1,220,708	-100.0%
Buildings	175,014,726	177,712,182	-	-	175,014,726	177,712,182	-1.5%
Improvements other than buildings	3,292,449	3,649,120	-	-	3,292,449	3,649,120	-9.8%
Furniture and equipment	6,257,272	6,806,385	659,564	745,644	6,916,836	7,552,029	-8.4%
<b>Total</b>	<b>\$ 193,849,708</b>	<b>\$ 198,673,656</b>	<b>659,564</b>	<b>745,644</b>	<b>194,509,272</b>	<b>199,419,300</b>	<b>-2.5%</b>

Additional information about the District's capital assets can be found in Note 5 on page 43 in the notes to the financial statements

**Long-Term Debt**

At June 30, 2021, the District had \$140,264,671 in long-term debt outstanding including general obligation bonds, revenue bonds, and other long-term debt outstanding. This represents a decrease of approximately 1.31% from June 30, 2020. (See Figure A-6) More detailed information about the District's long-term liabilities is available in Note 6 to the financial statements.

The decrease is primarily a result of \$5,045,000 general obligation bond reductions and revenue bond reductions of \$3,739,000.

	Governmental activities		Business type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2021	2020	2021	2020	2021	2020	2020-2021
General obligation bonds	\$ 43,465,000	\$ 48,510,000	-	-	43,465,000	48,510,000	-10.4%
General obligation bond discount	(196,000)	(214,907)	-	-	(196,000)	(214,907)	-8.8%
General obligation bond premium	530,603	613,205	-	-	530,603	613,205	-13.5%
Revenue bonds	44,385,000	48,124,000	-	-	44,385,000	48,124,000	-7.8%
Revenue bond discount	(228,571)	(264,068)	-	-	(228,571)	(264,068)	-13.4%
Revenue bond premium	1,141,146	1,325,992	-	-	1,141,146	1,325,992	-13.9%
Obligations under lease	860,411	1,270,413	-	-	860,411	1,270,413	-32.3%
Early retirement	-	-	-	-	-	-	#DIV/0!
Other postemployment benefits	4,719,207	4,242,027	287,231	254,445	5,006,438	4,496,472	11.3%
Net pension liability	42,252,580	35,440,808	2,787,172	2,480,535	45,039,752	37,921,343	18.8%
Compensated absences	233,322	306,471	27,570	32,314	260,892	338,785	-23.0%
<b>Totals</b>	<b>\$ 137,162,698</b>	<b>\$ 139,353,941</b>	<b>3,101,973</b>	<b>2,767,294</b>	<b>140,264,671</b>	<b>142,121,235</b>	<b>-1.3%</b>

**Economic Factors Bearing on the District's Future**

At the time these financial statements were prepared and audited, the District was aware of several existing circumstances that could significantly affect its financial health in the future:

- The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the country. The economic condition and outlook of the District have remained strong during the past ten years, and as a result, the District has experienced tremendous growth over the past several years. This growth has had a positive

effect on employment and the District's tax base. The District has averaged 3.9% annual increase in the tax base over the past ten years. In fiscal year 2021, the increase was 7.7%.

- Prior to the pandemic, the District expected continued enrollment growth, but much smaller than the average over the last ten years of 91 or approximately one percent. The District has utilized a demographer to assist with enrollment projections.
- To accommodate the district's growth, a facility plan was approved that included a new high school housing grades 10-12 (opened fall 2017), renovations to the previous high school site to house 8<sup>th</sup> and 9<sup>th</sup> grade students (opened fall 2017), renovations to the previous middle school to house elementary students by moving Wallace Elementary to that building along with all district preschool classes (opened fall 2018), and renovations to the current Wallace Elementary to meet district needs (opened fall 2019). This facility plan was funded through various sources including a bond referendum that passed in June 2014 for \$41 million, revenue bonds, and PPEL notes; these facilities should meet the enrollment needs of the district for many years.
- Inadequate state funding and enrollments will continue to put great pressure on district finances to meet the personnel, facility and transportation needs of the District.
- In policy, the District has a financial solvency ratio target of 5-15% with 10% as a minimal goal, and unspent target of 5-15%. It will be important to maintain an adequate cash reserve levy to achieve and maintain the financial solvency goal, and will be equally important to monitor and adjust recurring expenses such as salaries and benefits which represent approximately 80% of the operating budget.
- The economy continues to be a factor that could have consequences for the district in regard to state revenues, property valuations, and enrollment, especially in light of the COVID pandemic.

#### **Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jan Miller-Hook, Chief Financial Officer, Johnston Community School District, 6510 NW 62<sup>nd</sup> Avenue, Johnston, IA 50131-1234.

## **Basic Financial Statements**

Exhibit A

**Johnston Community School District  
Statement of Net Position  
June 30, 2021**

	Governmental Activities	Business Type Activities	Total Primary Government
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and pooled investments:	\$ 65,754,245	4,212,596	69,966,841
Receivables:			
Property tax:			
Delinquent	277,485	-	277,485
Succeeding year	47,841,589	-	47,841,589
Accounts	129,491	25,145	154,636
Due from other governments	6,927,821	146,587	7,074,408
Inventories	73,369	93,275	166,644
Total current assets	121,004,000	4,477,603	125,481,603
Non-current assets:			
Capital assets:			
Capital assets - nondepreciable	9,285,261	-	9,285,261
Capital assets - depreciable, net	184,564,447	659,564	185,224,011
Total capital assets	193,849,708	659,564	194,509,272
Total non-current assets	193,849,708	659,564	194,509,272
<b>Total assets</b>	<b>314,853,708</b>	<b>5,137,167</b>	<b>319,990,875</b>
<b>Deferred Outflows of Resources</b>			
OPEB related deferred outflows	700,258	48,872	749,130
Pension related deferred outflows	9,812,411	799,538	10,611,949
<b>Total deferred outflows of resources</b>	<b>10,512,669</b>	<b>848,410</b>	<b>11,361,079</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	3,563,944	135,502	3,699,446
Due to other governments	26,074	-	26,074
Advances from tuition and registration fees	145,913	-	145,913
Advances from prepaid childcare	-	72,579	72,579
Advances from prepaid lunches	-	184,618	184,618
Insurance claims payable	1,534,431	-	1,534,431
Salaries and benefits payable	8,322,762	202,147	8,524,909
Construction contracts payable	-	-	-
Accrued interest payable	1,018,084	-	1,018,084
General obligation bonds payable	5,238,694	-	5,238,694
Revenue bonds payable	4,049,350	-	4,049,350
Obligations under lease	423,327	-	423,327
Compensated absences	233,322	27,570	260,892
Total current liabilities	24,555,901	622,416	25,178,317
Non-current liabilities:			
General obligation bonds payable	38,560,909	-	38,560,909
Revenue bonds payable	41,248,225	-	41,248,225
Obligations under lease	437,084	-	437,084
Net pension liability	42,252,580	2,787,172	45,039,752
Other post employment benefits payable	4,719,207	287,231	5,006,438
Total non-current liabilities	127,218,005	3,074,403	130,292,408
<b>Total liabilities</b>	<b>151,773,906</b>	<b>3,696,819</b>	<b>155,470,725</b>

Exhibit A

**Johnston Community School District  
Statement of Net Position  
June 30, 2021**

	Governmental Activities	Business Type Activities	Total Primary Government
<i>Continued from previous page</i>			
<b>Deferred Inflows of Resources</b>			
Deferred property tax revenue	47,841,589	-	47,841,589
OPEB related deferred inflows	93,052	4,627	97,679
Pension related deferred inflows	1,183,555	429,875	1,613,430
Other	458,876	-	458,876
Advances on federal grants	203,962	-	203,962
<b>Total deferred inflows of resources</b>	<b>49,781,034</b>	<b>434,502</b>	<b>50,215,536</b>
<b>Net Position</b>			
Net investment in capital assets	103,892,118	659,564	104,551,682
Restricted for:			
State categorical funding	2,116,132	-	2,116,132
Management levy purposes	5,235,184	-	5,235,184
Debt service	19,711,720	-	19,711,720
School infrastructure	5,736,015	-	5,736,015
Physical plant and equipment	1,477,856	-	1,477,856
Internal service	102,842	-	102,842
Student activities	495,297	-	495,297
Unrestricted	(14,955,727)	1,194,692	(13,761,035)
<b>Total net position</b>	<b>\$ 123,811,437</b>	<b>1,854,256</b>	<b>125,665,693</b>

See notes to Basic Financial Statements

Exhibit B

**Johnston Community School District  
Statement of Activities  
Year ended June 30, 2021**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
<b>Governmental activities:</b>						
Instruction:						
Regular	\$ 45,282,991	4,624,937	11,572,371	(29,085,683)	-	(29,085,683)
Special	14,414,578	1,636,427	2,316,730	(10,461,421)	-	(10,461,421)
Other	8,977,314	470,409	63,738	(8,443,167)	-	(8,443,167)
	<u>68,674,883</u>	<u>6,731,773</u>	<u>13,952,839</u>	<u>(47,990,271)</u>	<u>-</u>	<u>(47,990,271)</u>
Support Service:						
Student	2,321,759	-	-	(2,321,759)	-	(2,321,759)
Instructional staff	3,502,561	-	-	(3,502,561)	-	(3,502,561)
Administration	6,813,756	-	-	(6,813,756)	-	(6,813,756)
Operation and maintenance of plant	9,276,356	27,520	-	(9,248,836)	-	(9,248,836)
Transportation	4,133,351	80,176	107,776	(3,945,399)	-	(3,945,399)
	<u>26,047,783</u>	<u>107,696</u>	<u>107,776</u>	<u>(25,832,311)</u>	<u>-</u>	<u>(25,832,311)</u>
Non-instructional programs:						
Nutrition services	17,909	-	-	(17,909)	-	(17,909)
Community education services	35,357	-	-	(35,357)	-	(35,357)
	<u>53,266</u>	<u>-</u>	<u>-</u>	<u>(53,266)</u>	<u>-</u>	<u>(53,266)</u>
Other expenses:						
Facilities acquisition	89,062	-	-	(89,062)	-	(89,062)
Long-term debt interest	3,263,192	-	-	(3,263,192)	-	(3,263,192)
AEA support	3,300,087	-	3,300,087	-	-	-
	<u>6,652,341</u>	<u>-</u>	<u>3,300,087</u>	<u>(3,352,254)</u>	<u>-</u>	<u>(3,352,254)</u>
Total governmental activities	101,428,273	6,839,469	17,360,702	(77,228,102)	-	(77,228,102)
<b>Business type activities:</b>						
Non-instructional programs:						
Nutrition services	2,976,642	197,806	3,005,627	-	226,791	226,791
Daycare services	1,199,064	943,367	212,000	-	(43,697)	(43,697)
Preschool services	307,895	212,910	40,645	-	(54,340)	(54,340)
Community education services	491,328	438,820	3,102	-	(49,406)	(49,406)
Total business type activities	<u>4,974,929</u>	<u>1,792,903</u>	<u>3,261,374</u>	<u>-</u>	<u>79,348</u>	<u>79,348</u>
Total primary governmental activities	\$ 106,403,202	8,632,372	20,622,076	(77,228,102)	79,348	(77,148,754)

Exhibit B

Johnston Community School District  
 Statement of Activities  
 Year ended June 30, 2021

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
<b>Totals continued from previous page</b>	\$ 106,403,202	8,632,372	20,622,076	(77,228,102)	79,348	(77,148,754)
General revenues and transfers:						
Property tax levied for:						
General purposes				\$ 32,039,390	-	32,039,390
Debt service				11,378,999	-	11,378,999
Capital outlay				4,707,378	-	4,707,378
Statewide sales, services and use tax shared revenue				7,092,979	-	7,092,979
Unrestricted state grants				35,223,836	-	35,223,836
Unrestricted investment earnings				356,158	-	356,158
Other				773,164	-	773,164
Transfers				(497,388)	497,388	-
Total general revenues and transfers				91,074,516	497,388	91,571,904
Change in net position				13,846,414	576,736	14,423,150
Net position beginning of year				109,965,023	1,277,520	111,242,543
Net position end of year				\$ 123,811,437	1,854,256	125,665,693

See notes to Basic Financial Statements

Exhibit C

**Johnston Community School District  
Balance Sheet  
Governmental Funds  
June 30, 2021**

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
<b>Assets</b>					
Cash, cash equivalents and pooled investments	\$ 21,000,178	19,685,515	7,755,025	6,465,417	54,906,135
Receivables:					
Property tax:					
Delinquent	170,534	73,241	30,200	3,510	277,485
Succeeding year	32,585,591	9,391,930	4,924,065	940,003	47,841,589
Accounts	120,897	-	-	8,594	129,491
Due from other governments	5,875,060	-	1,052,761	-	6,927,821
Inventories	73,369	-	-	-	73,369
<b>Total assets</b>	<b>\$ 59,825,629</b>	<b>29,150,686</b>	<b>13,762,051</b>	<b>7,417,524</b>	<b>110,155,890</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 3,185,824	2,950	191,239	131,382	3,511,395
Advances from tuition and registration fees	145,913	-	-	-	145,913
Salaries and benefits payable	7,707,104	-	-	615,658	8,322,762
Due to other governments	26,074	-	-	-	26,074
Total liabilities	11,064,915	2,950	191,239	747,040	12,006,144
Deferred inflows of resources:					
Unavailable revenues:					
Other	-	-	458,876	-	458,876
Succeeding year property tax	32,585,591	9,391,930	4,924,065	940,003	47,841,589
Advances of federal grants	203,962	-	-	-	203,962
Total deferred inflows of resources	32,789,553	9,391,930	5,382,941	940,003	48,504,427
Fund balances:					
Nonspendable for:					
Inventories	73,369	-	-	-	73,369
Restricted for:					
School infrastructure	-	-	5,736,015	-	5,736,015
Debt service	-	19,755,806	974,000	-	20,729,806
State categorical funding	2,116,132	-	-	-	2,116,132
Physical plant and equipment	-	-	1,477,856	-	1,477,856
Management levy purposes	-	-	-	5,235,184	5,235,184
Student activities	-	-	-	495,297	495,297
Unassigned	13,781,660	-	-	-	13,781,660
Total fund balances	15,971,161	19,755,806	8,187,871	5,730,481	49,645,319
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 59,825,629</b>	<b>29,150,686</b>	<b>13,762,051</b>	<b>7,417,524</b>	<b>110,155,890</b>

See notes to Basic Financial Statements

Exhibit D

**Johnston Community School District  
Reconciliation of the Balance Sheet  
Governmental Funds to the Statement of Net Position  
June 30, 2021**

---

Total fund balances of governmental funds (Exhibit C) \$ 49,645,319

**Amounts reported for governmental activities in the  
Statement of Net Position are different because:**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 193,849,708

The Internal Service Fund is used by management to charge the costs of partial self funding of the District's health insurance benefit plan to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position. 9,261,127

Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:

Deferred outflows of resources	\$	10,512,669	
Deferred inflows of resources		(1,276,607)	9,236,062

Long-term liabilities, including bonds and notes payable, bond discounts and premiums, compensated absences, accrued interest, lease payable, net pension liability and other postemployment benefits, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Those liabilities at year-end consist of:

General obligation bonds payable		(43,465,000)	
Revenue bonds payable		(44,385,000)	
Obligations under lease		(860,411)	
Bond discounts		424,574	
Bond premiums		(1,671,749)	
Accrued interest		(1,018,084)	
Compensated absences		(233,322)	
Net pension liability		(42,252,580)	
Other post employment benefits		(4,719,207)	(138,180,779)

**Net position of governmental activities (Exhibit A) \$ 123,811,437**

See notes to Basic Financial Statements

Exhibit E

**Johnston Community School District**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Year ended June 30, 2021**

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
<b>Revenues:</b>					
Local sources:					
Local tax	\$ 30,667,924	11,896,231	4,920,665	640,947	48,125,767
Tuition	5,923,253	-	-	-	5,923,253
Other	1,117,986	119,198	119,160	675,687	2,032,031
Intermediate sources	118,134	-	-	-	118,134
State sources	47,635,205	1,443	7,093,574	89	54,730,311
Federal sources	4,835,398	-	-	-	4,835,398
<b>Total revenues</b>	<b>90,297,900</b>	<b>12,016,872</b>	<b>12,133,399</b>	<b>1,316,723</b>	<b>115,764,894</b>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular instruction	37,577,461	-	203,624	670,530	38,451,615
Special instruction	14,019,362	-	-	-	14,019,362
Other instruction	8,076,071	-	-	713,187	8,789,258
	<b>59,672,894</b>	<b>-</b>	<b>203,624</b>	<b>1,383,717</b>	<b>61,260,235</b>
Support services:					
Student services	2,256,896	-	-	-	2,256,896
Instructional staff services	2,642,803	-	721,205	-	3,364,008
Administration services	6,679,226	11,260	156,644	33,498	6,880,628
Operation and maintenance of plant services	8,032,618	-	235,276	738,189	9,006,083
Transportation services	3,370,088	-	614,861	116,232	4,101,181
	<b>22,981,631</b>	<b>11,260</b>	<b>1,727,986</b>	<b>887,919</b>	<b>25,608,796</b>
Non-instructional programs:					
Food service	-	-	-	17,909	17,909
Community service and education	28,065	-	-	5,984	34,049
	<b>28,065</b>	<b>-</b>	<b>-</b>	<b>23,893</b>	<b>51,958</b>
Capital outlay:					
Other expenditures	-	-	1,303,098	-	1,303,098
Debt Service:					
Other expenditures:					
Principal	-	9,194,002	-	-	9,194,002
Interest	-	3,368,597	-	-	3,368,597
	<b>-</b>	<b>12,562,599</b>	<b>-</b>	<b>-</b>	<b>12,562,599</b>
Intergovernmental:					
Other expenditures	3,300,087	-	-	-	3,300,087
<b>Total expenditures</b>	<b>85,982,677</b>	<b>12,573,859</b>	<b>3,234,708</b>	<b>2,295,529</b>	<b>104,086,773</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>4,315,223</b>	<b>(556,987)</b>	<b>8,898,691</b>	<b>(978,806)</b>	<b>11,678,121</b>

Exhibit E

**Johnston Community School District**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Year ended June 30, 2021**

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
<i>Continued from previous page</i>					
Other financing sources (uses):					
Sale of assets	7,181	-	-	-	7,181
Capital leases	-	-	-	-	-
Transfers in	102,612	9,182,431	-	-	9,285,043
Transfers out	(600,000)	-	(9,182,431)	-	(9,782,431)
Total other financing sources (uses)	(490,207)	9,182,431	(9,182,431)	-	(490,207)
Change in fund balances	3,825,016	8,625,444	(283,740)	(978,806)	11,187,914
Fund balances beginning of year	12,146,145	11,130,362	8,471,611	6,709,287	38,457,405
Fund balances end of year	\$ 15,971,161	19,755,806	8,187,871	5,730,481	49,645,319

See notes to Basic Financial Statements

Exhibit F

**Johnston Community School District  
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds to the Statement of Activities  
Year ended June 30, 2021**

**Change in fund balances - total governmental funds (Exhibit E)** \$ 11,187,914

***Amounts reported for governmental activities in the statement of activities are different because:***

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are reported in the Statement of Net Position and are allocated over their estimated useful lives of the capital assets as depreciation expense in the Statement of Activities. The amounts of capital outlays and depreciation expense in the year are as follows:

Capital outlays:

From facilities acquisition	\$ 1,234,215	
Less current year depreciation	<u>(6,058,163)</u>	(4,823,948)

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but increases long-term liabilities in the Statement of Net Position. Repayment of long-term debt liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of issuance costs and premiums, whereas these amounts are deferred in and amortized in the Statement of Activities. Current year items are as follows:

Issuance of bonds and leases	-	
Repayments of bond and note principal	9,194,002	
Amortization of bond premiums and discounts	<u>213,042</u>	9,407,044

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when due. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. 105,405

The current year District employer share of IPERS contributions are reported as expenditures in the governmental funds, but are reported as a deferred outflow of resources in the Statement of Net Position. 4,584,633

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	73,149	
Pension expense	(6,636,099)	
Other postemployment benefits	<u>(497,216)</u>	(7,060,166)

The Internal Service Fund is used by management to charge the costs of employee health benefits to individual funds. The change in Net Position of the Internal Service Fund is reported with governmental activities. 445,532

**Change in net position of governmental activities (Exhibit B)** \$ 13,846,414

See notes to Basic Financial Statements

Exhibit G

**Johnston Community School District  
Statement of Net Position  
Proprietary Funds  
June 30, 2021**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 4,212,596	10,848,110
Receivables:		
Accounts	25,145	-
Due from other governments	146,587	-
Inventories	93,275	-
Total current assets	<u>4,477,603</u>	<u>10,848,110</u>
Non-current assets:		
Property and equipment:		
Machinery and equipment	3,204,320	-
Accumulated depreciation	<u>(2,544,756)</u>	<u>-</u>
Total non-current assets	659,564	-
<b>Total assets</b>	<u><b>5,137,167</b></u>	<u><b>10,848,110</b></u>
<b>Deferred Outflows of Resources</b>		
OPEB related deferred outflows	48,872	-
Pension related deferred outflows	799,538	-
<b>Total deferred outflows of resources</b>	<u>848,410</u>	<u>-</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	135,502	52,552
Advances from prepaid childcare	72,579	-
Advances from prepaid lunches	184,618	-
Insurance claims liability	-	1,534,431
Accrued salaries and benefits payable	202,147	-
Compensated absences payable	27,570	-
Total current liabilities	<u>622,416</u>	<u>1,586,983</u>
Non-current liabilities:		
Net pension liability	2,787,172	-
Other postemployment benefits payable	287,231	-
Total non-current liabilities	<u>3,074,403</u>	<u>-</u>
<b>Total liabilities</b>	<u><b>3,696,819</b></u>	<u><b>1,586,983</b></u>
<b>Deferred Inflows of Resources</b>		
OPEB related deferred inflows	4,627	-
Pension related deferred inflows	429,875	-
<b>Total deferred inflows of resources</b>	<u>434,502</u>	<u>-</u>
<b>Net Position</b>		
Net investment in capital assets	659,564	-
Restricted for:		
Flexible benefits	-	102,842
Unrestricted	1,194,692	9,158,285
<b>Total net position</b>	<u><b>\$ 1,854,256</b></u>	<u><b>9,261,127</b></u>

See notes to Basic Financial Statements

Exhibit H

**Johnston Community School District**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**Year ended June 30, 2021**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Operating revenue:		
Local sources:		
Operating revenues	\$ 1,792,903	12,598,266
Operating expenses:		
Instructional programs:		
Instruction services:		
Other	268,361	-
	<u>268,361</u>	<u>-</u>
Support services:		
Depreciation	113	-
Other	263,148	12,152,734
	<u>263,261</u>	<u>12,152,734</u>
Non-instructional programs:		
Food service operations:		
Depreciation	102,480	-
Other	2,872,264	-
	<u>2,974,744</u>	<u>-</u>
Community service operations:		
Depreciation	3,087	-
Other	1,465,476	-
	<u>1,468,563</u>	<u>-</u>
Total operating expenses	<u>4,974,929</u>	<u>12,152,734</u>
Operating income (loss)	<u>(3,182,026)</u>	<u>445,532</u>
Non-operating revenues:		
State sources	272,576	-
Federal sources	2,969,111	-
Interest income	19,687	-
Total non-operating revenues	<u>3,261,374</u>	<u>-</u>
Income before transfers	79,348	445,532
Transfers in	<u>497,388</u>	<u>-</u>
Changes in net position	576,736	445,532
Net position beginning of year	<u>1,277,520</u>	<u>8,815,595</u>
Net position end of year	<u>\$ 1,854,256</u>	<u>9,261,127</u>

See notes to Basic Financial Statements

Exhibit I

**Johnston Community School District**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year ended June 30, 2021**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Cash flows from operating activities:		
Cash received from sale of lunches and breakfasts	\$ 231,562	-
Cash received from community services	1,568,941	12,598,266
Cash payments to employees for services	(3,086,428)	(11,525,911)
Cash payments to suppliers for goods or services	(1,236,405)	(634,816)
Net cash provided (used) by operating activities	<u>(2,522,330)</u>	<u>437,539</u>
Cash flows from non-capital financing activities:		
State grants received	272,576	-
Federal grants received	2,761,709	-
Net cash provided by non-capital financing activities	<u>3,034,285</u>	<u>-</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(19,600)	-
Transfers	497,388	-
Net cash provided by capital and related financing activities	<u>477,788</u>	<u>-</u>
Cash flows from investing activities:		
Interest on investments	19,687	-
Net increase in cash and cash equivalents	1,009,430	437,539
Cash and cash equivalents at beginning of year	<u>3,203,166</u>	<u>10,410,571</u>
Cash and cash equivalents at end of year	<u><u>4,212,596</u></u>	<u><u>10,848,110</u></u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	\$ (3,182,026)	445,532
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Commodities used	207,402	-
Depreciation	105,680	-
(Increase) Decrease in accounts receivable	(20,251)	-
(Increase) Decrease in due from other governments	(27,989)	-
(Increase) Decrease in inventory	30,149	-
Increase (decrease) in accounts payable	61,845	1,071
(Decrease) in insurance claims liability	-	(9,064)
Increase (decrease) in salaries and benefits payable	73,074	-
Increase in unearned revenues	55,840	-
Increase (Decrease) in compensated absences	(4,744)	-
Increase (Decrease) in net pension liability	306,636	-
(Increase) Decrease in deferred outflows of resources	(194,195)	-
Increase in deferred inflows of resources	33,463	-
Increase in other post-employment benefits	32,786	-
Net cash provided (used) by operating activities	<u><u>\$ (2,522,330)</u></u>	<u><u>437,539</u></u>

Exhibit I

Johnston Community School District  
 Statement of Cash Flows  
 Proprietary Funds  
 Year ended June 30, 2021

Business Type Activities	Governmental Activities
Non-major Enterprise Funds	Internal Service Fund

*Continued from previous page*

**Reconciliation of cash and cash equivalents at year end to  
 specific assets included on Combined Balance Sheet:**

Current assets:

Cash and investments	\$ 4,212,596	10,848,110
Cash and cash equivalents at year end	<u>\$ 4,212,596</u>	<u>10,848,110</u>

**Non-cash investing, capital and financing activities:**

During the year ended June 30, 2021, the District received federal commodities valued at \$207,402.

See notes to Basic Financial Statements

(1) **Summary of Significant Accounting Policies**

The Johnston Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades prekindergarten through twelve. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as career and technical and recreational courses. The geographic area served includes the city of Johnston, Iowa; portions of Urbandale, Des Moines, Granger and Grimes, Iowa; and other unincorporated areas of Polk County. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Johnston Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the District. Johnston Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations - The District participates in a jointly governed organization that provides services to the District but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Polk County Assessor's Conference Board.

B. Basis of Presentation

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net Position presents the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Net position is reported in the following categories:

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

*Restricted net position* results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position* consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Fund Financial Statements - Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. Combining schedules are also included for the Capital Projects Fund accounts.

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, including instructional, support and other costs.

The Debt Service Fund is utilized to account for property tax and other revenues to be used for the payment of interest and principal on the District's general long-term debt.

The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities and other capital assets.

The District reports the following non-major governmental funds:

The Special Revenue Funds account for the revenue sources that are legally restricted to expenditures for specific purposes. These funds consist of the following:

Student Activity Funds: This fund accounts for transactions that occur due to student-related activities from groups and organizations such as athletic and activity events, fundraising and other extra-curricular or co-curricular activities.

Management Fund: This fund is authorized by Iowa Code Section 298.4 and accounts for transactions related to unemployment, early retirement, judgments and settlements and the cost of liability insurance as it relates to property and casualty.

The District reports the following proprietary funds:

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the District has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The District reports the following non-major enterprise funds:

School Nutrition Fund: This fund accounts for transactions related to the school lunch, breakfast and summer food programs authorized by Iowa Code 283A.

Child Care Fund: This fund accounts for transactions for before and after school child care and summer child care programs authorized by Iowa Code 298A.12 and 279.49.

Preschool Fund: This fund accounts for transactions for preschool programs with an instructional component for children who have not yet met the age requirement for school-aged education.

Community Education Fund: This fund accounts for transactions for facilities and services to provide further education opportunities to the local area.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Internal Service Funds: The internal service funds are used to account for goods or services provided by one department to other departments of the District on a cost reimbursement basis. The District has the following internal service funds:

Self-Insurance Fund: This fund accounts for transactions for self-insured health insurances including medical, dental, prescription and vision received by District employees in which the District is responsible for paying all claims and administrative costs attributable to the insurances listed above.

Flexible Benefits: This fund accounts for transactions for certain benefits available to District employees in which the District is responsible for paying all premiums or costs specified by the employee.

C. Measurement Focus and Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's policy is generally to first apply the expenditure toward restricted fund balance and then to less-restrictive classifications – committed, assigned and then unassigned fund balances.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's Enterprise Funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District maintains its financial records on the cash basis. The financial statements of the District are prepared by making memorandum adjusting entries to the cash basis financial records.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position

The following accounting policies are followed in preparing the financial statements:

Cash, Cash Equivalents and Pooled Investments – The District maintains a cash and investment pool used by all funds. The cash and investment pool has the same characteristics as demand deposits. Each fund type's portion of this pool is displayed in the financial statements as cash and cash equivalents in that fund. The District utilizes a financial institution to service bonded debt as principal and interest payments come due. The monies are either maintained in a central bank account or used to purchase legal investments.

It is the policy of the District to value investment contracts and money market investments with a maturity of one year or less at the time of purchase at cost or amortized cost. Investment contracts and money market investments that had a remaining maturity of greater than one year at the time of purchase are reported at fair value.

The District has invested funds in the Iowa Schools Joint Investment Trust (ISJIT). ISJIT is an investment pool managed by the trustee, Bankers Trust, which allows governments within the State to pool their funds for investment purposes. ISJIT is registered with the SEC as an investment company and operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in ISJIT are valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940.

For purposes of the Statement of Cash Flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

Property Tax Receivable – Property tax in the governmental funds are accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is reported as a deferred inflow of resources in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2019 assessed property valuations; is for the tax accrual period July 1, 2020 through June 30, 2021 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2020.

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments. Federal and state grants are recorded as receivables and the revenue is recognized during the period in which the District fulfills the requirements for receiving the grant awards in the government-wide statements. In the governmental fund statements, the revenue must meet the measurable and available criteria. Amounts received for which legal claims or applicable requirements have not been met are recorded as deferred revenue. Certain intergovernmental revenues have been included to spend such funds only for the purpose reported.

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items and government commodities. Inventories of proprietary funds are recorded as expenses when consumed rather than when purchased or received.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements on the consumption method.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Capital Assets – Capital assets, which include property, furniture, and equipment, are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position and in the proprietary funds financial statements. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Reportable capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

<u>Asset Class</u>	<u>Amount</u>
Land	\$ 3,500
Buildings	3,500
Improvements other than buildings	3,500
Furniture and equipment:	
School Nutrition Fund equipment	500
Other furniture and equipment	3,500

Capital assets (with the exception of land and construction in progress, which are not depreciated) are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (In Years)</u>
Buildings	50 years
Improvements other than buildings	20-50 years
Furniture and equipment	5-15 years

Interfund Activity - Transfers between governmental and business type activities on the government-wide statements are reported in the same manner as general revenues. Sales of goods and services between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds.

Deferred Outflows of Resources - Deferred outflows of resources represent a consumption of net position applicable to a future year(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense, the unamortized portion of the net difference between projected and actual earnings on pension plan investments and contributions from the District after the measurement date but before the end of the District's reporting period.

Salaries and Benefits Payable - Payroll and related expenditures for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Advances – Proceeds received by the District for which services will be rendered in a succeeding fiscal year, such as prepaid tuition and registration fees, prepaid childcare and prepaid lunch money.

Compensated Absences – District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2021. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund. The District has no vesting requirement and the earned but unused vacation is all considered a current liability.

Long-term Liabilities – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the Statement of Net Position.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to / deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability attributable to the governmental activities will be paid primarily by the General Fund.

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB and OPEB expense, information has been determined based on the Johnston Community School District's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund and the Enterprise, School Nutrition Fund.

Deferred Inflows of Resources - Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the fund financial statements consist of property tax receivable and other receivables not collected within sixty days after year end and succeeding year property tax receivable that will not be recognized until the year for which it is levied.

Deferred inflows of resources in the Statement of Net Position consists of the succeeding year's property tax receivable that will not be recognized as revenue until the year for which it is levied, other receivables not collected within sixty days after year end and unrecognized items not yet charged to pension and OPEB expense.

Fund Balance – In the governmental fund financial statements, fund balances are classified as follows:

*Restricted* – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

*Committed* – Amounts which can be used only for specific purposes determined pursuant to constraints formally imposed by the Board of Education through resolution approved prior to year end. Those committed amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same action it employed to commit those amounts.

*Assigned* – Amounts constrained by the District's intent to use them for a specific purpose. It is the District's policy that the authority to assign fund balance has been delegated by the District's Board of Education to the Chief Financial Officer through the adoption of the budget.

*Unassigned* – All amounts not included in the preceding classifications. Negative unassigned fund balance may be reported in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's procedure is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed and then unassigned fund balances.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

E. Budgets and Budgetary Accounting

As allowed by GASB Statement No. 41, *Budgetary Comparison Schedules - Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. During the year ended June 30, 2021, expenditures did not exceed the amounts budgeted.

(2) **Cash, Cash Equivalents and Pooled Investments**

The District's deposits in banks at June 30, 2021 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds

The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2021 the District had cash, cash equivalents and pooled investments in the following:

Iowa Schools Joint Investment Trust	
Diversified Portfolio	\$ 43,664,445
Wells Fargo Bank Money Market	5,487
Checking Accounts	26,296,909
	<u>\$ 69,966,841</u>

At June 30, 2021 the District had investments in the Iowa Schools joint Investment Trust District (ISJIT) which are valued at an amortized cost pursuant to rule 2a-7 under the Investment Company Act of 1940. There were no limitations or restrictions on withdrawals of the ISJIT investments. The investments in ISJIT were rated AAAM by Standard & Poor's Financial Services.

The District had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

**Concentration of credit risk.** The District's investment policy seeks diversification to reduce overall portfolio risk while attaining market rates of return to enable the District to meet all anticipated cash requirements. The District's policy further restricts investments in short-term corporate debt and commercial paper to no more than 30 percent of the investment portfolio of the District and no more than 5 percent of the investment portfolio can be invested in the securities of a single issuer.

**Custodial credit risk.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Chapter 12c of the Code of Iowa requires all District funds be deposited into an approved depository and be either insured or collateralized.

**(3) Due from Other Governments**

The detail of due from other governments for the year ended June 30, 2021 is as follows:

Due from other districts	\$ 3,317,520
Due from the State of Iowa - Local sources	-
Due from the State of Iowa - State sources	1,990,251
Due from the State of Iowa - Federal sources	1,766,637
	<u>\$ 7,074,408</u>

All amounts are expected to be collected within one year.

**(4) Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2021 is as follows:

Transfer to	Transfer from	Amount
Debt Service Fund	Capital Projects Fund - Statewide Sales, Services and Use Tax	\$ 6,030,516
Debt Service Fund	Capital Projects Fund - Physical Plant and Equipment Levy	3,151,915
General Fund	Nutrition Fund	102,612
Community Child Care	General Fund	553,016
Community Preschool	General Fund	46,984
		<u>\$ 9,885,043</u>

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources. A transfer was made into the Debt Service fund to pay debt payments funded by tax collections in the Statewide Sales, Services & Use Tax fund, and Physical Plant and Equipment Levy Fund. Transfers were made from the Nutrition fund to cover expense for shared costs paid by the General fund. Transfers were made from the General fund to the Community Child Care and Community Preschool funds to cover shared costs.

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**(5) Capital Assets**

Capital assets activity for the year ended June 30, 2021 is as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 9,285,261	-	-	9,285,261
Construction in progress	1,220,708	904,585	2,125,293	-
Total capital assets not being depreciated	<u>10,505,969</u>	<u>904,585</u>	<u>2,125,293</u>	<u>9,285,261</u>
Capital assets being depreciated:				
Buildings	233,619,617	2,097,262	-	235,716,879
Improvements other than buildings	8,871,466	14,520	-	8,885,986
Furniture and equipment	13,586,549	343,141	-	13,929,690
Total capital assets being depreciated	<u>256,077,632</u>	<u>2,454,923</u>	<u>-</u>	<u>258,532,555</u>
Less accumulated depreciation for:				
Buildings	55,907,435	4,794,718	-	60,702,153
Improvements other than buildings	5,222,346	371,191	-	5,593,537
Furniture and equipment	6,780,164	892,254	-	7,672,418
Total accumulated depreciation	<u>67,909,945</u>	<u>6,058,163</u>	<u>-</u>	<u>73,968,108</u>
Total capital assets being depreciated, net	<u>188,167,687</u>	<u>(3,603,240)</u>	<u>-</u>	<u>184,564,447</u>
Governmental activities capital assets, net	<u>\$ 198,673,656</u>	<u>(2,698,655)</u>	<u>2,125,293</u>	<u>193,849,708</u>
<b>Business type activities:</b>				
Furniture and equipment	\$ 3,184,720	19,600	-	3,204,320
Less accumulated depreciation	2,439,076	105,680	-	2,544,756
Business-type activities capital assets, net	<u>\$ 745,644</u>	<u>(86,080)</u>	<u>-</u>	<u>659,564</u>

Depreciation expense was charged by the District as follows:

Governmental activities:

Instruction:

Regular	\$ 5,716,566
Other	7,761

Support services:

Instructional staff services	80,758
Administration	44,677
Operation and maintenance of plant	176,231
Transportation	32,170

Total depreciation expense - governmental activities	<u>\$ 6,058,163</u>
--	---------------------

Business type activities:

Food services	\$ 102,480
Community Childcare	3,087
Community Preschool	113
	<u>\$ 105,680</u>

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**(6) Long-Term Liabilities**

Changes in long-term liabilities for the year ended June 30, 2021 are summarized as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 48,510,000	-	5,045,000	43,465,000	5,175,000
General obligation bond discounts	(214,907)	-	18,907	(196,000)	(18,907)
General obligation bond premiums	613,205	-	82,602	530,603	82,601
Revenue bonds	48,124,000	-	3,739,000	44,385,000	3,900,000
Revenue bond discounts	(264,068)	-	35,497	(228,571)	(35,497)
Revenue bond premiums	1,325,992	-	184,846	1,141,146	184,847
Obligations under lease	1,270,413	-	410,002	860,411	423,327
Net OPEB liability	4,242,027	477,180	-	4,719,207	-
Net pension liability	35,440,808	6,811,772	-	42,252,580	-
Compensated absences	306,471	233,322	306,471	233,322	233,322
<b>Total</b>	<b>\$ 151,131,781</b>	<b>7,522,274</b>	<b>9,822,325</b>	<b>137,162,698</b>	<b>9,944,693</b>
<b>Business type activities:</b>					
Net OPEB liability	\$ 254,445	32,786	-	287,231	-
Net pension liability	2,480,535	306,637	-	2,787,172	-
Compensated absences	32,314	27,570	32,314	27,570	27,570
<b>Total</b>	<b>\$ 2,823,818</b>	<b>366,993</b>	<b>32,314</b>	<b>3,101,973</b>	<b>27,570</b>

Compensated absences, pension liabilities and net OPEB liabilities are generally liquidated by the General Fund for governmental activities and the respective funds for business-type activities.

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

(6) *Long-Term Liabilities (continued from previous page)*

General Obligation Bonds Payable

Details of the District's June 30, 2021 general obligation bonded indebtedness are as follows:

On December 9, 2015, the District issues \$55,300.00 of general obligation bonds to pay costs associated with refunding current indebtedness and construction of the new high school. The bonds bear interest at rates ranging from 3.00% to 3.63% per annum. During the year ended June 30, 2021, principal and interest paid were \$2,105,000 and \$1,281,169, respectively.

\$55,300,000 Bond Issue of December 9, 2015				
Year ended June 30,	Rates	Principal	Interest	Total
2022	3.00%	\$2,170,000	1,218,019	3,388,019
2023	3.00%	2,235,000	1,152,919	3,387,919
2024	3.00%	2,305,000	1,085,869	3,390,869
2025	3.00%	2,370,000	1,016,719	3,386,719
2026	3.00%	2,445,000	945,619	3,390,619
2027	3.25%	2,515,000	872,269	3,387,269
2028	3.25%	2,600,000	790,531	3,390,531
2029	3.25%	2,685,000	706,031	3,391,031
2030	3.25%	2,770,000	618,769	3,388,769
2031	3.25%	2,860,000	528,744	3,388,744
2032	3.38%	2,955,000	435,794	3,390,794
2033	3.50%	3,055,000	336,063	3,391,063
2034	3.50%	3,160,000	229,138	3,389,138
2035	3.63%	3,270,000	118,538	3,388,538
Subtotal		\$37,395,000	10,055,019	47,450,019

On December 22, 2016, the District issued \$9,320,000 of general obligation bonds to pay costs associated with refunding current indebtedness and various improvements. The bonds bear interest at rates ranging from 2.25% to 2.50% per annum. During the year ended June 30, 2021, principal and interest paid were \$2,805,000 and \$203,816, respectively.

\$9,320,000 Bond Issue of December 22, 2016				
Year ended June 30,	Rates	Principal	Interest	Total
2022	2.35%	\$2,865,000	140,702	3,005,702
2023	2.50%	2,935,000	73,376	3,008,376
Subtotal		\$5,800,000	214,078	6,014,078

On November 8, 2017 the District issued \$8,235,000 of general obligation bonds to pay costs associated with various school improvements. The bonds bear interest at 2.00% per annum. During the year ended June 30, 2021 principal and interests paid were \$135,000 and \$8,100 respectively.

\$8,235,000 Bond Issue of November 8, 2017				
Year ended June 30,	Rates	Principal	Interest	Total
2022	2.00%	\$140,000	5,400	145,400
2023	2.00%	130,000	2,600	132,600
Subtotal		\$270,000	8,000	278,000

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

---

(6) *Long-Term Liabilities (continued from previous page)*

Year ended June 30,	Totals		
	Principal	Interest	Total
2022	\$5,175,000	1,364,121	6,539,121
2023	5,300,000	1,228,895	6,528,895
2024	2,305,000	1,085,869	3,390,869
2025	2,370,000	1,016,719	3,386,719
2026	2,445,000	945,619	3,390,619
2027	2,515,000	872,269	3,387,269
2028	2,600,000	790,531	3,390,531
2029	2,685,000	706,031	3,391,031
2030	2,770,000	618,769	3,388,769
2031	2,860,000	528,744	3,388,744
2032	2,955,000	435,794	3,390,794
2033	3,055,000	336,063	3,391,063
2034	3,160,000	229,138	3,389,138
2035	3,270,000	118,538	3,388,538
Total	\$ 43,465,000	10,277,097	53,742,097

Revenue Bonds Payable

Details of the District's June 30, 2021 statewide sales, services and use tax revenue bonded indebtedness are as follows:

The District has pledged future statewide sales, services and use tax revenues to repay the \$42,900,000 of bonds issued in 2013. The bonds were issued for the purpose of financing a portion of the costs of a new high school. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2030. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require nearly 100% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the notes is \$34,746,783. For the current year, \$2,555,000 in principal was paid and \$1,321,081 of interest was paid on the bonds and total statewide sales, services and use tax revenues were \$7,092,979.

The resolution providing for the issuance of the statewide sales, services and use tax revenue bonds includes the following provisions:

- a) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account
- b) Monies in the revenue account shall be disbursed to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- c) Any monies remaining in the revenue account after the required payments may be transferred to the project account to be used for any lawful purpose

The District complied with all of the revenue bond provisions during the year ended June 30, 2021.

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

(6) *Long-Term Liabilities (continued from previous page)*

Revenue Bonds Payable

\$42,900,000 Bond Issue of 2013				
Year ended June 30,	Rates	Principal	Interest	Total
2022	5.0%	\$2,685,000	1,190,081	3,875,081
2023	5.0%	2,820,000	1,052,456	3,872,456
2024	5.0%	2,960,000	907,956	3,867,956
2025	3.5%	3,110,000	779,531	3,889,531
2026	3.8%	3,140,000	666,231	3,806,231
2027	3.8%	3,335,000	544,825	3,879,825
2028	5.0%	3,455,000	395,919	3,850,919
2029	4.1%	3,625,000	234,778	3,859,778
2030	4.3%	3,765,000	80,006	3,845,006
Subtotal		\$ 28,895,000	5,851,783	34,746,783

The District has pledged future statewide sales, services and use tax revenues to repay the \$9,740,000 of bonds issued in 2013. The bonds were issued for the purpose of financing a portion of the costs of a new high school. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2030. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require nearly 100% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the notes is \$9,319,901. For the current year, \$430,000 in principal and \$269,850 of interest was paid on the bonds and total statewide sales, services and use tax revenues were \$7,092,979.

The resolution providing for the issuance of the statewide sales, services and use tax revenue bonds includes the following provisions:

- a) \$974,000 of the proceeds from the issuance of the revenue bonds shall be deposited to a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. The balance of the proceeds shall be deposited to the project account.
- b) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account.
- c) Monies in the revenue account shall be disbursed to make deposits into a sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- d) Any monies remaining in the revenue account after the required transfer to the sinking account may be transferred to the project account to be used for any lawful purpose.

The District complied with all of the revenue bond provisions during the year ended June 30, 2021.

\$9,740,000 Bond Issue of 12/4/2013				
Year ended June 30,	Rates	Principal	Interest	Total
2022	3.0%	\$440,000	256,800	696,800
2023	3.0%	450,000	243,450	693,450
2024	3.0%	465,000	229,725	694,725
2025	3.0%	480,000	215,550	695,550
2026	3.0%	495,000	200,925	695,925
2027	3.0%	510,000	185,850	695,850
2028	3.3%	530,000	169,588	699,588
2029	3.5%	550,000	151,350	701,350
2030	4.0%	3,615,000	131,663	3,746,663
Subtotal		\$7,535,000	1,784,901	9,319,901

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

(6) *Long-Term Liabilities (continued from previous page)*

The District has pledged future statewide sales, services and use tax revenues to repay the \$8,709,000 of bonds issued in 2018. The bonds were issued for the purpose of financing a portion of the costs of Wallace, the ARC and a street project. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2030. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require nearly 100% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the notes is \$9,045,518. For the current year, \$754,000 in principal was paid and \$243,294 of interest was paid on the bonds and total statewide sales, services and use tax revenues were \$7,092,979.

The resolution providing for the issuance of the statewide sales, services and use tax revenue bonds includes the following provisions:

- a) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account
- b) Monies in the revenue account shall be disbursed to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- c) Any monies remaining in the revenue account after the required payments may be transferred to the project account to be used for any lawful purpose

The District complied with all of the revenue bond provisions during the year ended June 30, 2021.

\$8,709,000 Bond Issue of 2018				
Year ended June 30,	Rates	Principal	Interest	Total
2022	2.92%	\$775,000	220,971	995,971
2023	2.92%	800,000	197,976	997,976
2024	2.92%	825,000	174,251	999,251
2025	2.92%	845,000	149,869	994,869
2026	2.92%	949,000	123,677	1,072,677
2027	2.92%	899,000	96,696	995,696
2028	2.92%	925,000	70,065	995,065
2029	2.92%	953,000	42,647	995,647
2030	2.92%	984,000	14,366	998,366
Subtotal		\$ 7,955,000	1,090,518	9,045,518

TOTALS				
Year ended June 30,	Rates	Principal	Interest	Total
2022	Various	\$3,900,000	1,667,852	5,567,852
2023	Various	4,070,000	1,493,882	5,563,882
2024	Various	4,250,000	1,311,932	5,561,932
2025	Various	4,435,000	1,144,950	5,579,950
2026	Various	4,584,000	990,833	5,574,833
2027	Various	4,744,000	827,371	5,571,371
2028	Various	4,910,000	635,572	5,545,572
2029	Various	5,128,000	428,775	5,556,775
2030	Various	8,364,000	226,035	8,590,035
Total		\$ 44,385,000	8,727,202	53,112,202

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

---

(6) *Long- Term Liabilities (continued from previous page)*

As of June 30, 2021, the District did not exceed its legal debt margin, computed as follows:

Total assessed valuation	<u>\$ 4,516,098,085</u>
Debit limit of 5% of total assessed valuation	225,804,904
Amount of debt applicable to debt limit, total general obligation bonded debt	<u>43,465,000</u>
Excess of debt limit over bonded debt issued, legal debt margin	<u>\$ 182,339,904</u>

Capital Lease Payable

The District entered into a capital lease arrangement for the purchase of computer equipment for the District. The following is a schedule of the future minimum payments required under the lease together with its present value as of June 30, 2021

Year Ending June 30,	Apple, Inc. Capital Lease	
	Payment	Total
2022	\$ 451,200.00	451,200
2023	451,290	451,290
Total minimum lease payments	\$ 902,490	\$ 902,490
Less amount representing interest	42,169	42,169
Present value of minimum lease payments	<u>\$ 860,321</u>	<u>\$ 860,321</u>

(7) **Pension Plan**

Plan Description – IPERS membership is mandatory for employees of the District, except for those covered by another retirement system. Employees of the District are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa, 50306-9117 or at [www.ipers.org](http://www.ipers.org).

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, anytime after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member's first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member's highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

(7) *Pension Plan (continued from previous page)*

Disability and Death Benefits – A vested member who is awarded Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member’s beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member’s accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the “entry age normal” actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In the fiscal year 2021, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the District contributed 9.44% of covered payroll for a total rate of 15.73%.

The District’s contributions to IPERS for the year ended June 30, 2021 were \$4,791,014.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2021, the District reported a liability of \$45,039,752 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability was based on the District’s share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2020, the District’s proportion was 0.645662%, which was an decrease of 0.0004839% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the District recognized pension expense of \$6,975,681. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 49,756	1,067,557
Changes of assumptions	2,311,876	-
Net difference between projected and actual earnings on IPERS’ investments	2,531,948	-
Changes in proportion and differences between District contributions and proportionate share of contributions	927,355	545,873
District contributions subsequent to the measurement date	4,791,014	-
Total	\$ 10,611,949	1,613,430

\$4,791,014 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June, 30	
2022	\$ 673,207
2023	1,110,309
2024	997,576
2025	1,466,571
2026	(40,158)
	\$ 4,207,505

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

---

(7) *Pension Plan (continued from previous page)*

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions - The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, as follows:

Rate of Inflation (effective June 30, 2017)	2.60% per annum.
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation Rates vary by membership group
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an economic assumption study dated March 24, 2017 and a demographic assumption study dated June 28, 2018.

Mortality rates used in the 2020 valuation were based on the RP-2014 Employee and healthy Annuitant Tables with MP-2017 generational adjustments.

The long-term expected rate of return on IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	22.0%	4.43%
International equity	17.5	5.15
Global smart beta equity	6.0	4.87
Core plus fixed income	28.0	(0.29)
Public credit	4.0	2.29
Cash	1.0	(0.78)
Private equity	11.0	6.54
Private real assets	7.5	4.48
Private credit	3.0	3.11
Total	<u>100%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

(7) *Pension Plan (continued from previous page)*

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 75,099,988	\$ 45,039,752	\$ 19,834,706

IPERS' Fiduciary Net Position - Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

Payables to the IPERS - At June 30, 2021, the District reported payables to IPERS of \$447,931 for legally required District contributions and \$298,463 for legally required employee contributions withheld from employee wages which had not yet remitted to IPERS.

(8) **Other Post-Employment Benefits (OPEB)**

Plan Description - The District administers a single-employer benefit plan which provides medical and prescription drug benefits for employees, retirees and their spouses. Group insurance benefits for employees are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No.75.

OPEB Benefits - Individuals who are employed by Johnston Community School District and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical and prescription drug benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	32
Active employees	999
	<u>1,031</u>

Total OPEB Liability - The District's total OPEB liability of \$5,006,438 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions - The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of Inflation (effective June 30, 2020)	2.50% per annum.
Rates of salary increase (effective June 30, 2020)	3.50% per annum including inflation
Discount rate (effective June 30, 2020)	2.16% compounded annually, including inflation
Healthcare cost trend rate (effective June 30, 2020)	5.56% initial rate decreasing by 0.50% annually to an ultimate rate of 4.50%

Discount Rate - The discount rate used to measure the total OPEB liability was 2.16% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the SOA RPH-2019 total dataset mortality table fully generational using Scale MP-2019. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

(8) *Other Post-Employment Benefits (OPEB) (continued from previous page)*

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience studies with dates corresponding to those listed above.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB liability beginning of year	\$ 4,496,472
Changes for the year:	
Service cost	555,957
Interest	109,711
Differences between expected and actual experiences	-
Changes in assumptions	20,548
Benefit payments	<u>(176,250)</u>
	509,966
	<u>\$ 5,006,438</u>

Changes of assumptions reflect a change in the discount rate from 2.21% in fiscal year 2020 to 2.16% in fiscal year 2021.

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.16%) or 1% higher (3.16%) than the current discount rate.

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	\$ 5,439,000	5,006,438	4,609,000

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District as what the District's total liability would be if it were calculated using healthcare cost trend rates that are 1% lower (4.50%) or 1% higher (6.50%) than the current healthcare cost trend rates.

	1% Decrease (4.50%)	Trend Rate (5.50%)	1% Increase (6.50%)
Total OPEB liability	\$ 4,386,000	5,006,438	5,750,000

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB – For the year ended June 30, 2021, the District recognized OPEB expense of \$531,378. At June 30, 2021, the District reported deferred inflows and outflows of resources related to OPEB from the following resources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 416,680	-
Changes in assumptions	332,450	(97,679)
Total	<u>\$ 749,130</u>	<u>(97,679)</u>

(8) *Other Post- Employment Benefits (OPEB) (Continued from previous page)*

The amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized as an offset to OPEB expense as follows:

Year ending June 30,	Amount
2022	\$ 41,960
2023	41,960
2024	41,960
2025	41,960
2026	41,960
Thereafter	441,651
	<u>\$ 651,451</u>

(9) **Risk Management**

Johnston Community School District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

In addition to the above, the District operates a partially self-funded insurance program administered by a third-party administrator for its employees' and eligible dependents' medical benefits. The program is supplemented by stop loss protection, which limits the District's liability to \$60,000 per individual medical claim or an aggregate limit of 125% during the period July 1, 2006 through June 30, 2021.

The District operates a totally self-funded insurance program administered by a third-party administrator for its employees' and eligible dependents' dental benefits. The program liability is limited to \$1,000 per individual per year.

Both plans receive an annual actuarial opinion and an annual report is filed with the State of Iowa Insurance Division. The insurance claims liability of \$1,534,431 reported at June 30, 2021 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported.

The District operates a Section 125/Flex Plan whereby employee contributions are made through payroll deduction and eligible expenses are reimbursed on a weekly basis.

The above plans are reported in the Internal Services Fund.

Changes in the reported liability since July 1, 2011 resulted from the following:

	Beginning of Fiscal Year Liability	Current Year		Balance at Fiscal Year-End
		Claims and Changes in Estimates	Claim Payments	
2012	\$ 821,292	6,902,759	(6,884,482)	839,569
2013	839,569	6,684,776	(6,708,442)	815,903
2014	815,903	8,423,483	(8,234,488)	1,004,898
2015	1,004,898	7,460,500	(7,525,271)	940,127
2016	940,127	8,647,617	(8,538,983)	1,048,761
2017	1,048,761	8,943,579	(8,888,071)	1,104,269
2018	1,104,269	8,903,436	(8,904,854)	1,102,851
2019	1,102,851	10,976,060	(10,744,338)	1,334,573
2020	1,334,573	12,448,105	(12,239,183)	1,543,495
2021	1,543,495	12,143,670	(12,152,734)	1,534,431

**(10) Termination Benefits**

Early retirement was offered to district employees covered by the JEA master agreement during FY 2021. The plan required employees to have completed at least ten years of full-time service within the prior twelve consecutive years to the District and much have reached age fifty- five on or before June 30 in the calendar year in which early retirement was to commence. Early retirement benefits were equal to 50% of the average of the employee's last three years' contractual salary but not including TSS, Schedule B, etc. plus \$100 per day multiplied by the number of sick days accumulated as of retirement. The plan was limited to twenty employees, and the early retirement benefit was placed in a State RIC(b) plan as directed by the employee in the July immediately following retirement.

**(11) Area Education Agency**

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the Area Education Agency. The District's actual amount for this purpose totaled \$3,300,087 for the year ended June 30, 2021 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

**(12) Deficit Net Position**

A net position deficit of \$474,928 exists in the Enterprise, Community Education Fund and of \$40,750 in the Enterprise, Community Preschool Fund.

This deficit in the Enterprise, Community Education Fund results from recognizing the net pension liability (approximately \$400,000) as required by generally accepted auditing principles and is based on the District's employer share of contributions to IPERS relative to the contributions of all IPERS participating employers. This liability is only payable as the District pays the District's employer share of IPERS contributions on payrolls in the future years.

This deficit in the Enterprise, Community Preschool Fund results from recognizing the net pension liability (approximately \$175,000) as required by generally accepted auditing principles and is based on the District's employer share of contributions to IPERS relative to the contributions of all IPERS participating employers. This liability is only payable as the District pays the District's employer share of IPERS contributions on payrolls in the future years.

The deficits in both Enterprise Funds increased substantially this fiscal year due to the COVID pandemic school closure resulting in a disruption of revenues with continued expenditures.

**(13) Tax Abatements**

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

Tax Abatements of Other Entities

Other entities within the District provide tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. Additionally, the City of Johnston offered an urban revitalization tax abatement program pursuant to Chapter 404 of the Code of Iowa. With prior approval by the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements.

(13) *Tax Abatements (Continued from previous page)*

Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2021 under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Johnston	Urban renewal and economic development projects	\$ 710,982
City of Urbandale	Urban renewal and economic development projects	23,447
City of Grimes	Urban renewal and economic development projects	184,311

The State of Iowa reimburses the District an amount equivalent to the increment of valuation on which property tax is divided times \$5.40 per \$1,000 of taxable valuation. For the year ended June 30, 2021 this reimbursement amounted to \$386,751.

(14) **Categorical Funding**

In accordance with Iowa Administrative Code Section 98.1, categorical funding is financial support from the state and federal governments targeted for particular categories of students, special programs, or special purposes. This support is in addition to school district or area education agency general purpose revenue, for purposes beyond the basic educational program and most often has restrictions on its use. Any portion of categorical funding provided by the state that is not expended by the end of the fiscal year must be carried forward as a restricted fund balance.

The following is a schedule of the categorical funding restricted in the General Fund at June 30, 2021.

Dropout prevention	\$ 270,639
Salary improvement	7,310
Gifted and talented program	159,794
Teacher leadership	494,859
Successful progression for early learners	100,767
Homeschool	-
Flexibility - statewide voluntary preschool	263,129
Flexibility - professional development	819,634
Total	<u>\$ 2,116,132</u>

(15) **Restatement**

The District separated the Community Education fund and the Community Child Care fund as of July 1, 2020. This resulted in an increase in beginning net position in the Community Education fund of \$341,610 and a corresponding decrease to the Community Child Care fund net position.

**(16) COVID- 19**

In March 2020, the COVID- 19 outbreak was declared a global pandemic. The disruption to business across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including that of Johnston Community School District, remains uncertain.

To date the outbreak has not created a material disruption to the operations of Johnston Community School District. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to Johnston Community School District.

**(17) Prospective Accounting Change**

Governmental Accounting Standards Board has issued Statement No. 87, Leases. This statement will be implemented for the fiscal year ending June 30,2022. The revised requirements of this statement will require reporting of certain potentially significant lease liabilities that are not currently reported.



**Required Supplementary Information**

Johnston Community School District  
 Budgetary Comparison Schedule of Revenues, Expenditures/Expenses, and Changes in Balances  
 Budget and Actual - All Governmental Funds and Proprietary Fund  
 Required Supplementary Information  
 Year ended June 30, 2021

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual	Budgeted Amounts		Final to Actual Variance- Positive (Negative)
				Original	Final	
<b>Revenues:</b>						
Local sources	\$ 56,081,051	1,812,590	57,893,641	61,826,302	61,826,302	(3,932,661)
Intermediate sources	118,134	-	118,134	100,000	100,000	18,134
State sources	54,730,311	272,576	55,002,887	56,874,471	56,874,471	(1,871,584)
Federal sources	4,835,398	2,969,111	7,804,509	3,967,661	3,967,661	3,836,848
Total revenues	115,764,894	5,054,277	120,819,171	122,768,434	122,768,434	(1,949,263)
<b>Expenditures:</b>						
Instruction	61,260,235	268,361	61,528,596	65,009,227	66,025,250	(4,496,654)
Support services	25,608,796	263,261	25,872,057	27,623,595	28,625,500	(2,753,443)
Noninstructional programs	51,958	4,443,307	4,495,265	7,156,579	7,156,579	(2,661,314)
Other expenditures	17,165,784	-	17,165,784	24,521,326	24,521,326	(7,355,542)
Total expenditures	104,086,773	4,974,929	109,061,702	124,310,727	126,328,655	(17,266,953)
Excess (deficiency) of revenues over (under) expenditures	11,678,121	79,348	11,757,469	(1,542,293)	(3,560,221)	15,317,690
Other financing sources (uses), net	(490,207)	497,388	7,181	5,072	5,072	2,109
Change in fund balance	11,187,914	576,736	11,764,650	(1,537,221)	(3,555,149)	15,319,799
Balances beginning of year	38,457,405	1,277,520	39,734,925	37,519,753	37,519,753	2,215,172
Balances end of year	\$ 49,645,319	1,854,256	51,499,575	35,982,532	33,964,604	17,534,971

See accompanying independent auditor's report.

**Johnston Community School District**  
**Notes to Required Supplementary Information - Budgetary Reporting**  
**Year Ended June 30, 2021**

---

This budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except Private Purpose Trust and Agency Funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's Budget is prepared on a GAAP basis.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund. These four functions are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. During the year, the District adopted one budget amendment, increasing budgeted expenditures by \$2,017,928.

During the year ended June 30, 2021, expenditures did not exceed the District's budget.

Johnston Community School District  
 Schedule of the District's Proportionate Share of the Net Pension Liability  
 Iowa Public Employee's Retirement System  
 For the Last Seven Fiscal Years\* (In Thousands)  
 Required Supplementary Information

	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.645662%	0.650501%	0.637611%	0.618953%	0.643295%	0.637961%	0.642155%
District's proportionate share of the net pension liability	\$ 45,040	37,921	40,337	40,861	40,117	31,716	25,989
District's covered payroll	\$ 50,884	49,816	47,918	45,789	45,752	43,990	41,980
District's proportionate share of the net pension liability as a percentage of its covered payroll	88.52%	76.12%	84.18%	89.24%	87.68%	72.10%	61.91%
IPERS' net position as a percentage of the total pension liability	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

\*In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

See accompanying independent auditor's report.

Johnston Community School District  
 Schedule of District Contributions  
 Iowa Public Employees' Retirement System  
 Last 10 Fiscal Years (In Thousands)  
 Required Supplementary Information

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Statutorily required contribution	\$ 4,803	4,810	\$ 4,703	4,279	4,089	4,086	3,930	3,829	3,035	3,159
Contributions in relation to the statutorily required contribution	(4,803)	(4,810)	(4,703)	(4,279)	(4,089)	(4,086)	(3,930)	(3,829)	(3,035)	(3,159)
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 50,874	50,884	\$ 49,816	47,918	45,789	45,752	43,990	42,880	35,009	39,144
Contributions as a percentage of covered-employee payroll	9.44%	9.45%	9.44%	8.93%	8.93%	8.93%	8.93%	8.93%	8.67%	8.07%

See accompanying independent auditor's report.

**Johnston Community School District**  
**Notes to Required Supplementary Information - Pension Liability**  
**Year Ended June 30, 2021**

---

Changes of benefit terms:

There were no significant changes in benefit terms.

Changes of assumptions:

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

The 2014 valuation implemented the following refinements as a result of a quadrennial study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

**Johnston Community School District**  
**Schedule of Changes in the District's**  
**Total OPEB Liability, Related Ratios and Notes**  
**For the Last Four Years**  
**Required Supplementary Information**

	2021	2020	2019	2018
Service cost	\$ 555,957	384,738	353,543	340,371
Interest cost	109,711	130,180	126,591	118,855
Difference between expected and actual experiences	-	-	-	-
Changes in assumptions	20,548	744,406	103,555	(152,476)
Benefit payments	(176,250)	(195,075)	(138,020)	(102,504)
Net change in total OPEB liability	509,966	1,064,249	445,669	204,246
Total OPEB liability beginning of year	4,496,472	3,432,223	2,986,554	2,782,309
Total OPEB liability end of year	\$ 5,006,438	4,496,472	3,432,223	2,986,555
Covered-employee payroll	\$ 34,031,000	\$ 33,039,404	39,681,000	38,338,704
Total OPEB liability as a percentage of covered-employee payroll	14.71%	13.61%	8.65%	7.79%

**Notes to Schedule of Changes in the District's Total OPEB Liability and Related Ratios**

*Changes in benefit terms:*

There were no significant changes in benefit terms.

*Changes in assumptions:*

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

Year ended June 30, 2021	2.16%
Year ended June 30, 2020	2.21%
Year ended June 30, 2019	3.50%
Year ended June 30, 2018	3.87%
Year ended June 30, 2017	3.58%

See accompanying independent auditor's report.

**Supplementary Information**  
**Combining and Individual Fund Financial Statements and Schedules**

Schedule 1

Johnston Community School District  
 Combining Balance Sheet  
 Non-Major Special Revenue Funds  
 June 30, 2021

<b>Assets</b>	Management	Student Activity	Total
<b>Assets:</b>			
Cash, cash equivalent and pooled investments	\$ 5,937,521	527,896	6,465,417
<b>Receivables:</b>			
Accounts	-	8,594	8,594
<b>Property tax:</b>			
Delinquent	3,510	-	3,510
Succeeding year	940,003	-	940,003
<b>Total assets</b>	<b>\$ 6,881,034</b>	<b>536,490</b>	<b>7,417,524</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 90,417	40,965	131,382
Accrued salaries and benefits payable	615,430	228	615,658
<b>Total liabilities</b>	<b>705,847</b>	<b>41,193</b>	<b>747,040</b>
<b>Deferred inflows of resources:</b>			
<b>Unavailable revenue</b>			
Succeeding year property tax	940,003	-	940,003
<b>Total deferred inflows of resources</b>	<b>940,003</b>	<b>-</b>	<b>940,003</b>
<b>Fund balances:</b>			
<b>Restricted for:</b>			
Management levy purposes	5,235,184	-	5,235,184
Student activities	-	495,297	495,297
<b>Total fund balances</b>	<b>5,235,184</b>	<b>495,297</b>	<b>5,730,481</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 6,881,034</b>	 <b>536,490</b>	 <b>7,417,524</b>

See accompanying independent auditor's report.

## Schedule 2

Johnston Community School District  
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Non-Major Special Revenue Funds  
 Year ended June 30, 2021

	Management	Student Activity	Total
<b>Revenues:</b>			
Local sources:			
Local tax:			
Property tax	\$ 628,141	-	628,141
Utility tax replacement excise tax	12,337	-	12,337
Mobile home tax	469	-	469
	<u>640,947</u>	<u>-</u>	<u>640,947</u>
Other local sources:			
Student activities	-	467,874	467,874
Donations	-	107,585	107,585
Other local revenue	68,273	31,955	100,228
	<u>68,273</u>	<u>607,414</u>	<u>675,687</u>
	709,220	607,414	1,316,634
State sources:			
Revenue in lieu of taxes :			
Military credit	89	-	89
	<u>89</u>	<u>-</u>	<u>89</u>
	709,309	607,414	1,316,723
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular instruction:			
Salaries	1,500	-	1,500
Benefits	669,030	-	669,030
	<u>670,530</u>	<u>-</u>	<u>670,530</u>
Co-curricular instruction:			
Salaries	-	4,621	4,621
Benefits	-	741	741
Purchased services	-	211,735	211,735
Supplies	-	402,581	402,581
Property	-	53,260	53,260
Other	-	40,249	40,249
	<u>-</u>	<u>713,187</u>	<u>713,187</u>
Total instruction	670,530	713,187	1,383,717
Expenditures:			
Current:			
Support Services:			
Administration:			
Benefits	10,213	-	10,213
Purchased services	17,698	5,587	23,285
	<u>27,911</u>	<u>5,587</u>	<u>33,498</u>
Plant operation and maintenance:			
Benefits	167,158	-	167,158
Purchased services	571,031	-	571,031
	<u>738,189</u>	<u>-</u>	<u>738,189</u>
Student transportation:			
Benefits	112,897	-	112,897
Purchased services	1,125	2,210	3,335
	<u>114,022</u>	<u>2,210</u>	<u>116,232</u>
Total support services	880,122	7,797	887,919
Non-instructional Programs:			
Food services			
Benefits	17,909	-	17,909
Community service & education:			
Benefits	5,984	-	5,984
Total non-instructional programs	23,893	-	23,893
Total expenditures	1,574,545	720,984	2,295,529
Change in fund balances	(865,236)	(113,570)	(978,806)
Fund balances beginning of year	6,100,420	608,867	6,709,287
Fund balances end of year	<u>\$ 5,235,184</u>	<u>495,297</u>	<u>5,730,481</u>

See accompanying independent auditor's report.

Schedule 3

**Johnston Community School District  
Subcombining Balance Sheet  
Capital Projects Fund Accounts  
June 30, 2021**

	Capital Projects		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
<b>Assets</b>			
Cash, cash equivalents and pooled investments	\$ 6,197,037	1,557,988	7,755,025
Receivables:			
Property tax:			
Delinquent	-	30,200	30,200
Succeeding year	-	4,924,065	4,924,065
Due from other governments	1,052,761	-	1,052,761
<b>Total assets</b>	<b>\$ 7,249,798</b>	<b>6,512,253</b>	<b>13,762,051</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ 80,907	110,332	191,239
Total liabilities	80,907	110,332	191,239
Deferred inflows of resources:			
Unavailable revenues:			
Other	458,876	-	458,876
Succeeding year property tax	-	4,924,065	4,924,065
Total deferred inflows of resources	458,876	4,924,065	5,382,941
Fund balances:			
Restricted for:			
School infrastructure	5,736,015	-	5,736,015
Debt Service	974,000	-	974,000
Physical plant and equipment	-	1,477,856	1,477,856
Total fund balances	6,710,015	1,477,856	8,187,871
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 7,249,798</b>	<b>6,512,253</b>	<b>13,762,051</b>

See accompanying independent auditor's report.

Schedule 4

**Johnston Community School District**  
**Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Capital Projects Fund Accounts**  
**Year ended June 30, 2021**

	Capital Projects		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Revenues:			
Local sources:			
Local tax	\$ -	4,920,665	4,920,665
Other	18,092	101,068	119,160
State sources	7,092,979	595	7,093,574
Total revenues	<u>7,111,071</u>	<u>5,022,328</u>	<u>12,133,399</u>
Expenditures:			
Current:			
Instructional Services:			
Regular instruction	147,652	55,972	203,624
Support Services:			
Instructional staff services	616,308	104,897	721,205
Administration	153,823	2,821	156,644
Plant operation and maintenance	102,604	132,672	235,276
Transportation	-	614,861	614,861
Other expenditures			
Facilities acquisition	882,323	420,775	1,303,098
Total expenditures	<u>1,902,710</u>	<u>1,331,998</u>	<u>3,234,708</u>
Excess (deficiency) of revenues over (under) expenditures	5,208,361	3,690,330	8,898,691
Other financing sources (uses):			
Operating transfers out	<u>(6,030,516)</u>	<u>(3,151,915)</u>	<u>(9,182,431)</u>
Total other financing uses	<u>(6,030,516)</u>	<u>(3,151,915)</u>	<u>(9,182,431)</u>
Change in fund balances	(822,155)	538,415	(283,740)
Fund balances beginning of year	<u>7,532,170</u>	<u>939,441</u>	<u>8,471,611</u>
Fund balances end of year	<u>\$ 6,710,015</u>	<u>1,477,856</u>	<u>8,187,871</u>

See accompanying independent auditor's report.

Schedule 5

Johnston Community School District  
 Combining Statement of Net Position  
 Proprietary Funds  
 June 30, 2021

	Business Type Activities					Governmental Activities		
	Enterprise Funds					Internal Service Funds		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
<b>Assets</b>								
Current assets:								
Cash and cash equivalents	\$ 55,696	119,895	1,261,062	2,775,943	4,212,596	10,731,150	116,960	10,848,110
Receivables:								
Accounts	15,125	10,020	-	-	25,145	-	-	-
Due from other governments	-	-	35,000	111,587	146,587	-	-	-
Inventories	-	-	-	93,275	93,275	-	-	-
<b>Total current assets</b>	<b>70,821</b>	<b>129,915</b>	<b>1,296,062</b>	<b>2,980,805</b>	<b>4,477,603</b>	<b>10,731,150</b>	<b>116,960</b>	<b>10,848,110</b>
Non-current assets:								
Property and equipment:								
Machinery and equipment	39,262	8,178	136,606	3,020,274	3,204,320	-	-	-
Accumulated depreciation	(39,262)	(7,657)	(125,513)	(2,372,324)	(2,544,756)	-	-	-
<b>Total non-current assets</b>	<b>-</b>	<b>521</b>	<b>11,093</b>	<b>647,950</b>	<b>659,564</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>70,821</b>	<b>130,436</b>	<b>1,307,155</b>	<b>3,628,755</b>	<b>5,137,167</b>	<b>10,731,150</b>	<b>116,960</b>	<b>10,848,110</b>
<b>Deferred Outflows of Resources</b>								
OPEB related deferred outflows	3,172	5,036	8,834	31,830	48,872	-	-	-
Pension related deferred outflows	106,887	48,950	319,261	324,440	799,538	-	-	-
<b>Total deferred outflows of resources</b>	<b>110,059</b>	<b>53,986</b>	<b>328,095</b>	<b>356,270</b>	<b>848,410</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>								
Current liabilities:								
Accounts payable	32,499	86	44,950	57,967	135,502	38,434	14,118	52,552
Advances from prepaid childcare	72,579	-	-	-	72,579	-	-	-
Advances from prepaid lunches	-	-	-	184,618	184,618	-	-	-
Insurance claims liability	-	-	-	-	-	1,534,431	-	1,534,431
Accrued salaries and benefits payable	65,135	87	21,244	115,681	202,147	-	-	-
Compensated absences	4,222	-	11,881	11,467	27,570	-	-	-
<b>Total current liabilities</b>	<b>174,435</b>	<b>173</b>	<b>78,075</b>	<b>369,733</b>	<b>622,416</b>	<b>1,572,865</b>	<b>14,118</b>	<b>1,586,983</b>
Non-current liabilities:								
Net pension liability	393,228	175,276	1,178,277	1,040,391	2,787,172	-	-	-
Other postemployment benefits payable	19,929	24,613	55,495	187,194	287,231	-	-	-
<b>Total non-current liabilities</b>	<b>413,157</b>	<b>199,889</b>	<b>1,233,772</b>	<b>1,227,585</b>	<b>3,074,403</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>587,592</b>	<b>200,062</b>	<b>1,311,847</b>	<b>1,597,318</b>	<b>3,696,819</b>	<b>1,572,865</b>	<b>14,118</b>	<b>1,586,983</b>
<b>Deferred Inflows of Resources</b>								
OPEB related deferred inflows	350	274	976	3,027	4,627	-	-	-
Pension related deferred inflows	67,866	24,836	204,124	133,049	429,875	-	-	-
<b>Total deferred inflows of resources</b>	<b>68,216</b>	<b>25,110</b>	<b>205,100</b>	<b>136,076</b>	<b>434,502</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position</b>								
Invested in capital assets	-	521	11,093	647,950	659,564	-	-	-
Restricted for:								
Flexible benefits	-	-	-	-	-	-	102,842	102,842
Unrestricted	(474,928)	(41,271)	107,210	1,603,681	1,194,692	9,158,285	-	9,158,285
<b>Total Net Position</b>	<b>\$ (474,928)</b>	<b>(40,750)</b>	<b>118,303</b>	<b>2,251,631</b>	<b>1,854,256</b>	<b>9,158,285</b>	<b>102,842</b>	<b>9,261,127</b>

See accompanying independent auditor's report.

Schedule 6

Johnston Community School District  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 Proprietary Funds  
 Year ended June 30, 2021

	Business Type Activities					Governmental Activities		
	Enterprise Funds					Internal Service Funds		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
Operating revenues:								
Local sources:								
Other local sources:								
Food service sales	\$ -	-	-	191,278	191,278	-	-	-
Daycare service fees	-	-	943,367	-	943,367	-	-	-
Community education fees	360,215	209,875	-	-	570,090	-	-	-
Charges for services	75,301	-	-	-	75,301	12,219,499	378,767	12,598,266
Other operating income	3,304	3,035	-	6,528	12,867	-	-	-
Total operating revenues	438,820	212,910	943,367	197,806	1,792,903	12,219,499	378,767	12,598,266
Operating expenses:								
Instructional programs:								
Instructional services:								
Salaries	-	149,291	-	-	149,291	-	-	-
Benefits	-	60,998	-	-	60,998	-	-	-
Services	100	35,780	-	-	35,880	-	-	-
Supplies	-	5,131	-	-	5,131	-	-	-
Other	170	-	16,891	-	17,061	-	-	-
	270	251,200	16,891	-	268,361	-	-	-
Support Services:								
Administrative services:								
Salaries	-	37,105	89,681	-	126,786	-	-	-
Benefits	-	16,187	32,153	-	48,340	11,148,671	-	11,148,671
Services	51,099	3,290	24,763	1,270	80,422	633,290	370,773	1,004,063
Supplies	-	-	-	628	628	-	-	-
Depreciation	-	113	-	-	113	-	-	-
	51,099	56,695	146,597	1,898	256,289	11,781,961	370,773	12,152,734
Transportation services:								
Services	-	-	6,972	-	6,972	-	-	-
	-	-	6,972	-	6,972	-	-	-
	51,099	56,695	153,569	1,898	263,261	11,781,961	370,773	12,152,734
Non-instructional programs:								
Food services operations:								
Salaries	-	-	-	1,059,568	1,059,568	-	-	-
Benefits	-	-	-	518,074	518,074	-	-	-
Services	-	-	-	91,726	91,726	-	-	-
Supplies	-	-	-	1,201,697	1,201,697	-	-	-
Other	-	-	-	1,199	1,199	-	-	-
Depreciation	-	-	-	102,480	102,480	-	-	-
	-	-	-	2,974,744	2,974,744	-	-	-
Community service operations:								
Salaries	265,405	-	705,102	-	970,507	-	-	-
Benefits	125,747	-	274,137	-	399,884	-	-	-
Services	424	-	62	-	486	-	-	-
Supplies	43,412	-	46,216	-	89,628	-	-	-
Other	4,971	-	-	-	4,971	-	-	-
Depreciation	-	-	3,087	-	3,087	-	-	-
	439,959	-	1,028,604	-	1,468,563	-	-	-
	439,959	-	1,028,604	2,974,744	4,443,307	-	-	-
Total operating expenses	491,328	307,895	1,199,064	2,976,642	4,974,929	11,781,961	370,773	12,152,734
Operating income (loss)	(52,508)	(94,985)	(255,697)	(2,778,836)	(3,182,026)	437,538	7,994	445,532

Schedule 6

Johnston Community School District  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 Proprietary Funds  
 Year ended June 30, 2021

	Business Type Activities					Governmental Activities		
	Enterprise Funds					Internal Service Funds		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
<i>Continued from previous page</i>								
Non-operating revenues:								
State grants	-	39,990	212,000	-	251,990	-	-	-
State lunch and breakfast program claims	-	-	-	20,586	20,586	-	-	-
Federal nutrition revenue	-	-	-	2,761,709	2,761,709	-	-	-
Federal food commodities revenue	-	-	-	207,402	207,402	-	-	-
Interest income	3,102	655	-	15,930	19,687	-	-	-
Total non-operating revenues	3,102	40,645	212,000	3,005,627	3,261,374	-	-	-
Income (loss) before transfers	(49,406)	(54,340)	(43,697)	226,791	79,348	437,538	7,994	445,532
Other financing sources (uses):								
Transfers in	-	46,984	553,016	-	600,000	-	-	-
Transfers (out)	-	-	-	(102,612)	(102,612)	-	-	-
Total other financing sources (uses)	-	46,984	553,016	(102,612)	497,388	-	-	-
Changes in Net Position	(49,406)	(7,356)	509,319	124,179	576,736	437,538	7,994	445,532
Net Position beginning of year (as restated)	(425,522)	(33,394)	(391,016)	2,127,452	1,277,520	8,720,747	94,848	8,815,595
Net Position end of year	\$ (474,928)	(40,750)	118,303	2,251,631	1,854,256	9,158,285	102,842	9,261,127

See accompanying independent auditor's report.

Schedule 7

Johnston Community School District  
 Combining Statement of Cash Flows  
 Proprietary Funds  
 Year ended June 30, 2021

	Business Type Activities					Governmental Activities		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
Cash flows from operating activities:								
Cash received from sale of lunches and breakfasts	\$ -	-	-	231,562	231,562	-	-	-
Cash received from community services	457,414	203,160	908,367	-	1,568,941	12,219,499	378,767	12,598,266
Cash paid to employees for services	(315,351)	(253,705)	(1,014,396)	(1,502,976)	(3,086,428)	(11,157,735)	(368,176)	(11,525,911)
Cash paid to suppliers for goods or services	(76,341)	(44,115)	(49,954)	(1,065,995)	(1,236,405)	(634,816)	-	(634,816)
Net cash provided (used) by operating activities	65,722	(94,660)	(155,983)	(2,337,409)	(2,522,330)	426,948	10,591	437,539
Cash flows from non-capital financing activities:								
State grants received	-	39,990	212,000	20,586	272,576	-	-	-
Federal grants received	-	-	-	2,761,709	2,761,709	-	-	-
Net cash provided by non-capital financing activities	-	39,990	212,000	2,782,295	3,034,285	-	-	-
Cash flows from capital and related financing activities:								
Acquisition of capital assets	14,180	-	(14,180)	(19,600)	(19,600)	-	-	-
Transfers	-	46,984	553,016	(102,612)	497,388	-	-	-
Net cash provided (used) by capital and related financing activities	14,180	46,984	538,836	(122,212)	477,788	-	-	-
Cash flows from investing activities:								
Interest on investments	3,102	655	-	15,930	19,687	-	-	-
Net increase (decrease) in cash and cash equivalents	83,004	(7,031)	594,853	338,604	1,009,430	426,948	10,591	437,539
Cash and cash equivalents at beginning of year, as restated	(27,308)	126,926	666,209	2,437,339	3,203,166	10,304,202	106,369	10,410,571
Cash and cash equivalents at end of year	\$ 55,696	119,895	1,261,062	2,775,943	4,212,596	10,731,150	116,960	10,848,110
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>								
Operating income (loss)	\$ (52,508)	(94,985)	(255,697)	(2,778,836)	(3,182,026)	437,538	7,994	445,532
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Commodities used	-	-	-	207,402	207,402	-	-	-
Depreciation	-	113	3,087	102,480	105,680	-	-	-
(Increase) decrease in accounts receivable	(10,501)	(9,750)	-	-	(20,251)	-	-	-
(Increase) decrease in due from other governments	-	-	(35,000)	7,011	(27,989)	-	-	-
(Increase) decrease in inventories	-	-	-	30,149	30,149	-	-	-
Increase (decrease) in accounts payable	23,835	86	44,950	(7,026)	61,845	(1,526)	2,597	1,071
(Decrease) in insurance claims liability	-	-	-	-	-	(9,064)	-	(9,064)
Increase (decrease) in salaries and benefits payable	55,745	10	21,244	(3,925)	73,074	-	-	-
Increase (decrease) in unearned revenues	29,095	-	-	26,745	55,840	-	-	-
Increase (decrease) in compensated absences	(3,017)	-	(620)	(1,107)	(4,744)	-	-	-
Increase (decrease) in net pension liability	33,374	25,848	98,715	148,699	306,636	-	-	-
(Increase) decrease in deferred outflows of resources	(100,840)	(14,597)	(775)	(77,983)	(194,195)	-	-	-
Increase (decrease) in deferred inflows of resources	87,292	(4,334)	(37,337)	(12,158)	33,463	-	-	-
Increase (decrease) in other post-employment benefits	3,247	2,949	5,450	21,140	32,786	-	-	-
Net cash provided (used) by operating activities	\$ 65,722	(94,660)	(155,983)	(2,337,409)	(2,522,330)	426,948	10,591	437,539

Schedule 7

Johnston Community School District  
 Combining Statement of Cash Flows  
 Proprietary Funds  
 Year ended June 30, 2021

*Continued from previous page*

**Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Balance Sheet:**

	Business Type Activities					Governmental Activities		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
Current assets:								
Cash and investments	\$ 55,696	119,895	1,261,062	2,775,943	4,212,596	10,731,150	116,960	10,848,110
Cash and cash equivalents at year end	\$ 55,696	119,895	1,261,062	2,775,943	4,212,596	10,731,150	116,960	10,848,110

**Non-cash investing, capital and financing activities:**

During the year ended June 30, 2021, the District received federal commodities valued at \$207,402.

See accompanying independent auditor's report.

**Supplementary Information**  
**Capital Assets used in the Operation of Governmental Funds**

Schedule 8

Johnston Community School District  
Capital Assets Used in the Operation of Governmental Funds  
Schedule by Source  
June 30, 2021

---

**Governmental funds capital assets**

Land and improvements	\$	18,171,247
Buildings and improvements		235,716,879
Vehicles, furniture and equipment		<u>13,929,690</u>
Total governmental funds capital assets	\$	<u><u>267,817,816</u></u>

**Investments in governmental funds capital assets by source**

General Fund	\$	10,794,153
Special Revenue Funds		555,586
Capital Projects Funds		<u>256,468,077</u>
Total governmental funds capital assets	\$	<u><u>267,817,816</u></u>

See accompanying independent auditor's report.

Schedule 9

Johnston Community School District  
 Capital Assets Used in the Operation of Governmental Funds  
 Schedule by Function and Activity  
 June 30, 2021

<b>Function and Activity</b>	Land and Improvements	Buildings and Improvements	Vehicles, Furniture and Equipment	Total
Instruction	\$ 16,630,239	232,701,949	9,755,562	259,087,750
Other instruction	371,476	95,986	-	467,462
Support services - instructional staff	441,545	-	1,828,751	2,270,296
Administration	328,878	1,191,161	368,332	1,888,371
Operation and maintenance of plant services	147,882	1,727,783	1,702,805	3,578,470
Student transportation services	251,227	-	274,240	525,467
Total	\$ 18,171,247	235,716,879	13,929,690	267,817,816

See accompanying independent auditor's report.

Schedule 10

Johnston Community School District  
 Capital Assets Used in the Operation of Governmental Funds  
 Schedule of Changes by Function and Activity  
 Year ended June 30, 2021

<b>Function and Activity</b>	July 1, 2020	Additions	Deletions	June 30, 2021
Instruction	\$ 257,853,535	3,359,508	2,125,293	259,087,750
Other instruction	467,462	-	-	467,462
Support services - instructional staff	2,270,296	-	-	2,270,296
Administration	1,888,371	-	-	1,888,371
Operation and maintenance of plant services	3,578,470	-	-	3,578,470
Student transportation services	525,467	-	-	525,467
Total	\$ 266,583,601	3,359,508	2,125,293	267,817,816

See accompanying independent auditor's report.

**Supplementary Information  
Other Financial Schedules**

# Schedule 11

**Johnston Community School District**  
**Schedule of Changes in Special Revenue Fund, Student Activity Accounts**  
**Year ended June 30, 2021**

Account	Balance Beginning of Year	Revenues	Expenditures	Intrafund Transfers	Balanced End of Year
<b>Elementary Schools:</b>					
Lawson Elementary	\$ 2,404	-	-	-	2,404
Timber Ridge Elementary	484	-	380	-	104
Beaver Creek Elementary	2,213	-	-	-	2,213
Horizon	1,558	-	-	-	1,558
<b>Summit Middle School:</b>					
Drama Club	2,314	-	371	-	1,943
Student Council	5,014	493	1,715	(3,408)	384
Yearbook	12,405	13,186	28,999	3,408	-
Vocal Music	3,878	810	1,146	-	3,542
Instrumental Music	1,801	1,550	3,016	-	335
Tech Club	7,582	6,119	5,725	-	7,976
Lego Robotics	1,542	-	-	-	1,542
Cheerleading	6,158	-	-	-	6,158
Food Assistance	621	-	-	-	621
SOS	100	-	-	-	100
Student Activity	12,274	853	1,277	-	11,850
Math Counts	1	50	50	-	1
<b>Middle School:</b>					
Dragon Express	522	-	-	-	522
Student Council	3,112	-	-	(1,497)	1,615
Robotics	4,511	3,193	7,575	-	129
Yearbook	-	16,124	17,621	1,497	-
Vocal Music	11,349	38,228	45,156	-	4,421
Instrumental Music	25,540	330	330	-	25,540
Student Management	5,002	-	-	-	5,002
Cheerleading	131	-	-	-	131
MS Pride	4	-	-	-	4
Art Club	44	-	-	-	44
French Club	130	-	-	-	130
Spanish Club	176	-	-	-	176
Science Olympiad	1,489	-	-	-	1,489
GSA	-	966	611	-	355
Tech Club	3,503	509	494	-	3,518
<b>High School:</b>					
Environmental Club	1,387	416	-	-	1,803
French Club	501	-	329	-	172
Spanish Club	1,349	-	-	-	1,349
Drama Club	2,493	555	3,805	757	-
Speech - Large Group	5,015	970	322	(807)	4,856
Speech - Individual	-	-	50	50	-
Debate	3,699	2,155	4,201	-	1,653
Student Council	9,525	5,898	7,288	-	8,135
National Honor Society	4,773	1,081	1,589	-	4,265
Archery	5,053	-	756	-	4,297
Senior Class	24,932	17,847	13,898	-	28,881
Yearbook	77,842	56,461	63,089	-	71,214
Academic Competition	-	1,400	1,806	406	-
Math Club	1,465	-	(756)	(406)	1,815
Instrumental Music	1,210	9,856	2,470	-	8,596
Vocal Music	36,486	36,185	24,903	(33,592)	14,176
Piano	86	-	-	-	86
Madrigal	-	-	140	140	-
Showzam	-	16,890	6,997	-	9,893
Synergy	-	24,223	33,966	9,743	-
INNO	-	20,323	43,393	23,070	-
Girls Show Choir	-	10,885	11,524	639	-
Circle of Friends	1,631	-	350	-	1,281
SADD	157	-	-	-	157
Diversity Committee	100	-	-	-	100
Tech Club	2,476	1,129	994	-	2,611
Hyperstream	757	-	-	-	757
Gay Straight Alliance	262	-	-	-	262
Fencing Club	1,494	-	-	-	1,494
Exp Based Career	451	-	(131)	-	582
Musicals	4,170	8,840	11,358	-	1,652
Photo Club	1,000	-	-	-	1,000
We the People	923	-	-	-	923
Silver Cord	1,357	-	210	-	1,147
Family Career	2	-	-	-	2
Fishing Club	399	-	-	-	399
Science Olympiad	580	892	1,066	-	406
HOSA	-	792	723	-	69
American Sign	57	-	-	-	57
Key Club	373	-	156	-	217
Students 4 Change	1,440	-	-	-	1,440
Dragon A-la-Cart	1,306	-	-	-	1,306
<b>Athletics</b>	<b>298,254</b>	<b>308,205</b>	<b>372,022</b>	<b>-</b>	<b>234,437</b>
<b>Total</b>	<b>\$ 608,867</b>	<b>607,414</b>	<b>720,984</b>	<b>-</b>	<b>495,297</b>

See accompanying independent auditor's report.

# Schedule 12

**Johnston Community School District  
 Schedule of Revenues by Source and Expenditures by Function  
 All Governmental Funds  
 For the Last Ten Years**

	Modified Accrual Basis									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Revenues:</b>										
Local sources:										
Local tax	\$ 48,125,767	45,309,062	44,526,384	40,930,405	39,253,233	37,064,106	35,626,566	32,393,934	35,857,736	35,695,347
Tuition	5,923,253	5,960,037	5,193,083	4,258,377	3,892,666	3,855,810	3,707,732	3,639,110	3,582,546	3,668,713
Other	2,032,031	3,651,731	4,026,726	3,583,002	3,875,304	2,952,246	2,317,904	2,661,625	2,367,120	2,106,399
Intermediate sources	118,134	102,828	102,103	95,576	91,273	88,824	89,537	90,390	98,961	95,614
State sources	54,730,311	53,257,938	51,457,369	49,601,732	48,755,230	45,960,835	43,653,789	39,316,622	31,650,260	30,704,092
Federal sources	4,835,398	2,525,438	3,119,381	2,760,895	2,334,744	2,126,015	2,074,240	1,898,661	1,769,532	1,692,437
<b>Total</b>	<b>\$ 115,764,894</b>	<b>110,807,034</b>	<b>108,425,046</b>	<b>101,229,987</b>	<b>98,202,450</b>	<b>92,047,836</b>	<b>87,469,768</b>	<b>80,000,342</b>	<b>75,326,155</b>	<b>73,962,602</b>
<b>Expenditures:</b>										
Instruction:										
Regular	\$ 38,451,615	39,347,512	38,750,238	36,823,617	35,134,637	33,604,284	32,626,297	30,467,849	29,014,697	27,638,864
Special	14,019,362	14,267,261	12,983,952	11,282,922	10,098,221	9,311,875	9,049,507	8,936,782	9,552,833	8,737,716
Other	8,789,258	8,931,755	9,259,212	8,532,447	8,370,945	7,877,884	7,818,352	7,644,581	6,851,147	6,188,208
Support services:										
Student	2,256,896	2,375,097	2,313,690	2,274,671	2,279,452	1,892,148	1,819,763	1,922,828	1,733,474	1,652,186
Instructional staff	3,364,008	3,325,919	3,244,276	3,380,314	4,256,407	3,829,694	3,116,176	3,446,669	5,256,963	3,238,683
Administration	6,880,628	6,622,019	6,379,852	6,418,567	6,224,502	6,188,422	6,059,234	6,021,436	5,580,409	5,354,058
Operation and maintenance of plant	9,006,083	8,148,471	8,005,666	6,789,467	5,776,018	5,403,883	5,322,847	5,604,645	4,899,107	4,826,922
Transportation	4,101,181	4,701,845	4,610,013	4,380,262	4,100,913	3,413,497	3,451,604	3,453,897	3,346,722	3,161,811
Non-instructional programs:										
Food services	17,909	5,235	1,330	22,998	13,222	6,537	12,756	60,845	50,075	22,680
Community services and education	34,049	175,441	148,969	201,283	200,203	144,963	162,264	153,851	134,712	142,207
Other expenditures:										
Facilities acquisition	1,303,098	5,928,821	10,503,462	20,328,773	36,617,228	39,095,795	25,238,957	4,513,719	3,223,347	10,429,507
Long-term debt:										
Principal	9,194,002	11,316,290	10,721,421	10,679,642	7,570,596	22,616,233	13,404,870	4,324,630	4,910,369	4,305,000
Interest and other charges	3,368,597	3,647,480	3,906,961	4,003,564	4,042,846	3,595,966	3,527,675	1,522,027	1,683,782	1,655,159
AEA support	3,300,087	3,177,946	3,110,039	2,977,024	2,840,921	2,746,943	2,610,924	2,448,847	2,307,835	2,236,244
<b>Total</b>	<b>\$ 104,086,773</b>	<b>111,971,092</b>	<b>113,939,081</b>	<b>118,095,551</b>	<b>127,526,111</b>	<b>139,728,124</b>	<b>114,221,226</b>	<b>80,522,606</b>	<b>78,545,472</b>	<b>79,589,245</b>

See accompanying independent auditor's report.

**Johnston Community School District  
Statistical Section  
Table of Contents**

---

The statistical section of the Johnston Community School District's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the District's overall financial health.

<b><u>CONTENTS</u></b>	<b><u>PAGE</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>84-91</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue sources, the property tax (or sales tax).	<b>92-94</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current level of outstanding debt and the District's ability to issue additional debt in the future.	<b>96-115</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>116-119</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	<b>120-127</b>

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The District implemented GASB 68 in fiscal year 2016; schedules presenting government-wide information include information beginning in that year.

**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**

Year ended June 30, 2021	2021	2020	2019	2018
<b>Governmental activities:</b>				
Net Investment in Capital Assets	\$ 103,892,118	\$ 99,309,022	\$ 96,562,542	92,188,629
Restricted	34,875,046	26,824,464	17,618,072	11,157,688
Unrestricted	(14,955,727)	(16,168,463)	(11,241,831)	(9,268,909)
<b>Total governmental activities net position</b>	<b>\$ 123,811,437</b>	<b>\$ 109,965,023</b>	<b>\$ 102,938,783</b>	<b>94,077,408</b>
<b>Business type activities:</b>				
Invested in capital assets, net of related debt	\$ 659,564	\$ 745,644	\$ 834,995	821,200
Restricted	-	-	-	-
Unrestricted	1,194,692	531,876	1,304,947	1,044,406
<b>Total business type activities net position</b>	<b>\$ 1,854,256</b>	<b>\$ 1,277,520</b>	<b>\$ 2,139,942</b>	<b>1,865,606</b>
<b>Primary government:</b>				
Invested in capital assets, net of related debt	\$ 104,551,682	\$ 100,054,666	\$ 97,397,537	93,009,829
Restricted	34,875,046	26,824,464	17,618,072	11,157,688
Unrestricted	(13,761,035)	(15,636,587)	(9,936,884)	(8,224,503)
<b>Total primary government net position</b>	<b>\$ 125,665,693</b>	<b>\$ 111,242,543</b>	<b>\$ 105,078,725</b>	<b>95,943,014</b>

Source: 2021 Certified Annual Report

Note: Change in unrestricted net position from 2014-2015 due to implementation of GASB 68.

2017	2016	2015	2014	2013	2012
76,387,314	63,827,711	58,871,834	13,249,999	65,764,354	62,356,405
20,505,552	24,264,939	23,692,664	63,844,645	10,749,999	9,744,735
(9,934,017)	(11,804,435)	(17,695,615)	8,209,879	8,028,431	9,387,456
86,958,849	76,288,215	64,868,883	85,304,523	84,542,784	81,488,596
951,723	394,007	513,678	614,448	731,486	587,958
-	-	-	920	-	-
723,663	1,249,056	1,091,515	2,884,984	2,513,869	2,586,485
1,675,386	1,643,063	1,605,193	3,500,352	3,245,355	3,174,443
77,339,034	64,221,718	59,385,512	13,864,447	66,495,840	62,944,363
20,505,453	24,264,939	23,692,664	63,845,565	10,749,999	9,744,735
-9,210,354	(10,555,379)	(16,604,100)	11,094,863	10,542,300	11,973,941
88,634,133	77,931,278	66,474,076	88,804,875	87,788,139	84,663,039

**EXPENSES, PROGRAM REVENUES AND NET REVENUES (EXPENSES)**

**Last Ten Fiscal Years**

Year ended June 30, 2021	2021	2020	2019	2018
Expenses:				
Governmental activities:				
Instruction	\$ 68,674,883	\$ 70,414,755	\$ 67,068,311	\$ 62,193,136
Student services	2,321,759	2,460,467	2,325,107	2,283,577
Instructional staff services	3,502,561	3,278,694	3,167,962	3,217,568
Administrative services	6,813,756	6,671,235	6,146,391	6,172,408
Operating and maintenance of plant services	9,276,356	8,113,422	7,851,357	6,810,716
Transportation services	4,133,351	4,692,702	4,611,616	4,317,348
Capital outlay	-	-	-	-
Long-term debt interest	3,263,192	3,607,402	3,964,032	3,940,520
Non-instructional programs	53,266	186,302	150,377	226,088
Other expenditures	3,389,149	4,555,872	4,524,310	5,188,911
<b>Total governmental activities expenses</b>	<b>\$ 101,428,273</b>	<b>\$ 103,980,851</b>	<b>\$ 99,809,463</b>	<b>\$ 94,350,272</b>
Business type activities:				
Nutrition	2,976,642	3,232,106	3,296,661	3,277,729
Preschool services	307,895	308,950	-	-
Daycare services	1,199,064	-	-	-
Community education services	491,328	2,663,171	3,389,659	3,474,661
<b>Total business type activities expenses</b>	<b>4,974,929</b>	<b>6,204,227</b>	<b>6,686,320</b>	<b>6,752,390</b>
<b>Total primary government expenses</b>	<b>\$ 106,403,202</b>	<b>\$ 110,185,078</b>	<b>\$ 106,495,783</b>	<b>\$ 101,102,662</b>
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction	6,731,773	6,981,839	6,523,356	5,620,229
Support services	107,696	345,601	333,922	564,809
Operating grants and contributions	17,360,702	14,372,672	14,692,194	13,923,397
<b>Total governmental activities program revenues</b>	<b>\$ 24,200,171</b>	<b>\$ 21,700,112</b>	<b>\$ 21,549,472</b>	<b>\$ 20,108,435</b>
Business type activities:				
Charges for services:				
Nutrition	197,806	1,644,080	2,221,417	3,282,217
Preschool services	212,910	-	-	-
Daycare services	943,367	-	-	-
Community education services	438,820	2,306,597	3,512,289	2,581,288
Operating grants and contributions	3,261,374	1,583,446	1,457,840	1,303,707
<b>Total business type program revenues</b>	<b>5,054,277</b>	<b>5,534,123</b>	<b>7,191,546</b>	<b>7,167,212</b>
<b>Total primary government program revenues</b>	<b>\$ 29,254,448</b>	<b>\$ 27,234,235</b>	<b>\$ 28,741,018</b>	<b>\$ 27,275,647</b>
Net revenue (expense):				
Governmental activities	\$ (77,228,102)	\$ (82,280,739)	\$ (78,259,991)	\$ (74,241,837)
Business type activities	79,348	(670,104)	505,226	414,822
<b>Total primary government net expense</b>	<b>\$ (77,148,754)</b>	<b>\$ (82,950,843)</b>	<b>\$ (77,754,765)</b>	<b>\$ (73,827,015)</b>

Source: 2021 Certified Annual Report

	2017	2016	2015	2014	2013	2012
\$	56,825,307	\$ 52,795,932	\$ 49,803,088	\$ 49,337,355	\$ 49,036,745	\$ 44,757,711
	2,300,234	1,859,466	1,758,854	1,925,705	1,697,758	1,638,859
	4,442,506	3,999,945	3,261,971	3,590,304	3,645,976	3,364,050
	6,023,950	5,350,729	5,581,377	5,711,829	5,251,380	5,043,599
	5,672,304	5,282,071	5,219,346	5,672,497	4,919,762	4,886,355
	4,045,455	3,429,478	3,445,848	3,309,073	3,222,225	3,591,054
	-	-	-	-	-	-
	3,961,417	3,421,694	3,254,018	2,591,867	1,595,681	1,642,172
	213,642	151,702	150,343	205,640	159,747	136,274
	3,680,205	4,552,822	5,454,504	6,962,566	2,971,590	2,282,020
\$	87,165,020	\$ 80,843,839	\$ 77,929,349	\$ 79,306,836	\$ 72,500,864	\$ 67,342,094
	3,353,090	3,329,784	3,354,998	3,248,993	2,989,163	2,968,730
	-	-	2,087,055	1,916,455	2,095,538	1,982,675
	-	-	-	-	-	-
	3,559,029	3,411,483	997,118	997,042	795,752	632,314
	6,912,119	6,741,267	6,439,171	6,162,490	5,880,453	5,583,719
\$	94,077,139	\$ 87,585,106	\$ 84,368,520	\$ 85,469,326	\$ 78,381,317	\$ 72,925,813
	5,100,587	5,190,701	4,858,280	4,944,723	4,708,965	4,716,473
	223,819	373,294	261,651	333,733	334,746	303,992
	13,062,254	12,346,212	11,896,003	9,391,081	8,742,525	8,729,403
\$	18,386,660	\$ 17,910,207	\$ 17,015,934	\$ 14,669,537	\$ 13,786,236	\$ 13,749,868
	2,426,387	2,479,676	2,547,400	2,424,013	2,332,549	2,341,951
	-	-	2,295,884	2,105,910	2,164,258	1,971,370
	-	-	-	-	-	-
	3,539,693	3,409,300	999,673	986,262	813,678	718,583
	1,220,226	1,100,705	1,034,906	966,302	887,948	919,469
	7,186,306	6,989,681	6,877,863	6,482,487	6,198,433	5,951,373
\$	25,572,966	\$ 24,899,888	\$ 23,893,797	\$ 21,152,024	\$ 19,984,669	\$ 19,701,241
\$	(68,778,360)	\$ (62,933,632)	\$ (60,913,415)	\$ (64,637,299)	\$ (58,714,628)	\$ (53,592,226)
	274,187	248,414	438,692	319,997	317,980	367,654
\$	(68,504,173)	\$ (62,685,218)	\$ (60,474,723)	\$ (64,317,302)	\$ (58,396,648)	\$ (53,224,572)

**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**

**Last Ten Fiscal Years**

Year ended June 30, 2021	2021	2020	2019	2018
Net (expense) revenue:				
Governmental activities	\$ (77,228,102)	\$ (82,280,739)	\$ (78,259,991)	\$ (74,241,837)
Business type activities	79,348	(670,104)	505,226	414,822
<b>Total primary government net expense</b>	<b>\$ (77,148,754)</b>	<b>\$ (82,950,843)</b>	<b>\$ (77,754,765)</b>	<b>\$ (73,827,015)</b>
General revenues and other changes in net position:				
Governmental activities:				
General revenues:				
Property taxes levied for:				
General purposes	32,039,390	30,634,016	29,435,435	28,821,494
Debt service	11,378,999	10,385,706	10,677,490	8,048,021
Capital outlay	4,707,378	4,289,340	4,413,457	4,060,890
Statewide sales, services and use tax	7,092,979	7,313,864	6,684,467	6,442,320
Unrestricted state grants	35,223,836	34,193,211	33,295,431	32,085,616
Unrestricted investment earnings	356,158	967,018	973,711	304,884
Other	773,164	1,331,506	1,410,485	1,372,671
Capital contributions	-	-	-	-
Transfers	(497,388)	192,318	230,890	224,602
<b>Total governmental activities</b>	<b>\$ 91,074,516</b>	<b>\$ 89,306,979</b>	<b>\$ 87,121,366</b>	<b>\$ 81,360,498</b>
Business type activities:				
Miscellaneous	-	-	-	-
Transfers	497,388	(192,318)	(230,890)	(224,602)
<b>Total business type activities</b>	<b>\$ 497,388</b>	<b>\$ (192,318)</b>	<b>\$ (230,890)</b>	<b>\$ (224,602)</b>
<b>Total primary government general revenues and other changes in net position</b>	<b>91,571,904</b>	<b>89,114,661</b>	<b>86,890,476</b>	<b>81,135,896</b>
Change in net position:				
Governmental activities	13,846,414	7,026,240	8,861,375	7,118,661
Business type activities	576,736	(862,422)	274,336	190,220
<b>Total primary government change in net position</b>	<b>\$ 14,423,150</b>	<b>\$ 6,163,818</b>	<b>\$ 9,135,711</b>	<b>\$ 7,308,881</b>

Source: 2021 Certified Annual Report

	2017	2016	2015	2014	2013	2012
\$	(68,778,360)	\$ (62,933,632)	\$ (60,913,415)	\$ (64,637,299)	(58,714,628)	\$ (53,592,226)
	274,187	248,414	438,692	319,997	317,980	367,654
\$	(68,504,173)	\$ (62,685,218)	\$ (60,474,723)	\$ (64,317,302)	(58,396,648)	\$ (53,224,572)
	29,253,021	28,270,487	26,634,779	25,257,174	23,739,582	25,139,889
	6,123,980	5,184,793	5,537,573	3,815,774	3,614,999	2,302,231
	3,892,711	3,608,826	3,462,422	3,320,986	3,169,354	3,129,302
	6,998,547	6,306,953	6,074,567	5,449,133	5,336,410	5,123,925
	31,096,960	29,515,436	27,832,918	26,458,419	24,769,091	23,753,747
	384,870	162,818	126,645	85,142	46,852	71,535
	2,305,590	1,093,108	792,981	947,410	872,283	696,452
	-	-	-	-	-	-
	218,102	210,544	169,884	65,000	65,000	-
\$	80,273,781	\$ 74,352,965	\$ 70,631,769	\$ 65,399,038	\$ 61,613,571	\$ 60,217,081
	-	-	-	-	-	-
	(218,102)	(210,544)	(169,884)	(65,000)	(65,000)	-
\$	(218,102)	\$ (210,544)	\$ (169,884)	\$ (65,000)	\$ (65,000)	\$ -
	80,055,679	74,142,421	70,461,885	65,334,038	61,548,571	60,217,081
	11,495,421	11,419,333	9,718,354	761,739	2,898,943	6,624,855
	56,085	37,870	268,808	254,997	252,980	367,654
\$	11,551,506	\$ 11,457,203	\$ 9,987,162	\$ 1,016,736	\$ 3,151,923	\$ 6,992,509

**FUND BALANCES - GOVERNMENTAL FUNDS****Last Ten Fiscal Years**

Year ended June 30, 2021	2021	2020	2019
General Fund:			
Nonspendable for Inventories/Prepd	73,369	85,572	71,233
Restricted	2,116,132	1,541,847	1,548,758
Unassigned	13,781,660	10,518,726	12,695,403
<b>Total general fund</b>	<b>15,971,161</b>	<b>12,146,145</b>	<b>14,315,394</b>
All other governmental funds:			
Restricted, reported in:			
Debt Service	20,729,806	12,104,362	7,567,880
Special revenue funds	5,730,481	6,709,287	4,166,417
Capital project funds	7,213,871	7,497,611	11,650,012
<b>Total all other governmental funds</b>	<b>33,674,158</b>	<b>26,311,260</b>	<b>23,384,309</b>
<b>Total governmental fund balances</b>	<b>49,645,319</b>	<b>38,457,405</b>	<b>37,699,703</b>

Source: 2021 Certified Annual Report

2018	2017	2016	2015	2014	2013	2012
70,895	60,138	67,662	44,102	47,864	49,391	47,836
1,659,862	1,576,733	1,525,575	1,283,366	801,527	742,491	875,116
14,154,725	13,107,148	10,088,953	6,065,734	4,195,630	4,019,759	5,998,132
15,885,482	14,744,019	11,682,190	7,393,202	5,045,021	4,811,641	6,921,084
3,362,140	1,569,155	1,430,769	2,265,914	9,545,061	9,721,828	516,040
2,704,873	2,174,684	1,882,474	1,743,993	1,989,103	2,901,807	2,622,228
12,306,451	24,051,715	45,188,623	39,921,249	61,322,483	6,173,055	5,851,080
18,373,464	27,795,554	48,501,866	43,931,156	72,856,647	18,796,690	8,989,348
34,258,946	42,539,573	60,184,056	51,324,358	77,901,668	23,608,331	15,910,432

**GOVERNMENTAL FUNDS REVENUES**  
**Last Ten Fiscal Years**

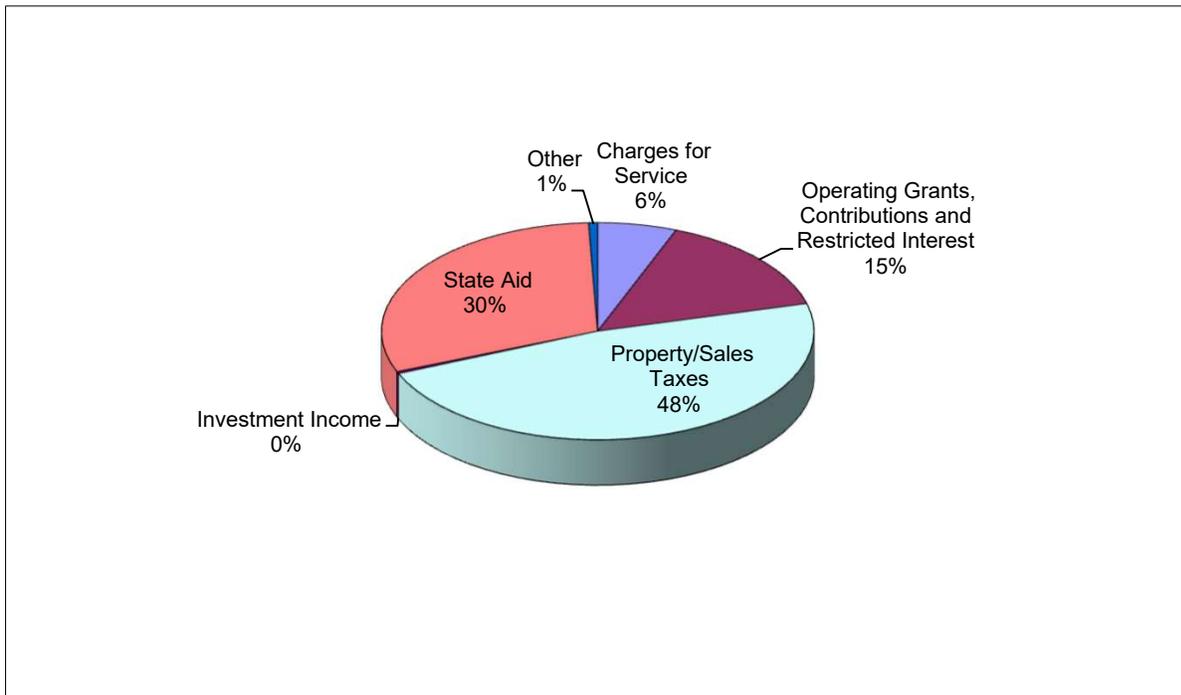
Year ended June 30,	2021	2020	2019	2018	2017
Local Sources:					
Property taxes	45,892,651	42,996,541	42,227,566	38,631,314	36,926,204
Local option sales tax			-	-	-
Utility replacement	875,278	966,024	937,517	943,630	963,718
Property tax in lieu of	1,348,873	1,346,497	1,350,679	1,315,848	1,333,947
Tuition	5,923,253	5,960,037	5,193,083	4,258,377	3,892,666
Other local sources	1,220,754	2,046,677	2,119,003	2,215,786	2,720,277
Investment earnings	356,158	967,017	973,710	543,692	399,436
Student activities	470,410	638,036	944,635	863,137	801,434
<b>Total local sources</b>	<b>56,087,377</b>	<b>54,920,829</b>	<b>53,746,193</b>	<b>48,771,784</b>	<b>47,037,682</b>
<b>Intermediate Sources</b>	<b>118,134</b>	<b>102,828</b>	<b>102,103</b>	<b>95,576</b>	<b>91,273</b>
State sources:					
State foundation aid	35,223,836	34,193,211	33,295,431	32,085,616	31,096,960
Statewide Sales tax	7,092,979	7,313,864	6,684,467	6,442,320	6,998,547
Other state sources	12,407,170	11,750,863	11,477,471	11,073,796	10,659,723
<b>Total state sources</b>	<b>54,723,985</b>	<b>53,257,938</b>	<b>51,457,369</b>	<b>49,601,732</b>	<b>48,755,230</b>
<b>Federal sources</b>	<b>4,835,398</b>	<b>2,525,439</b>	<b>3,119,381</b>	<b>2,760,895</b>	<b>2,318,265</b>
<b>Total Revenues</b>	<b>115,764,894</b>	<b>110,807,034</b>	<b>108,425,046</b>	<b>101,229,987</b>	<b>98,202,450</b>

Source: 2021 Certified Annual Report

2016	2015	2014	2013	2012
34,753,002	33,969,188	31,541,517	30,531,071	29,705,068
-	-	-	5,336,410	5,123,925
949,620	975,143	852,417	860,601	866,354
1,333,050	653,702	-	-	-
3,855,810	3,707,732	3,639,110	3,582,546	3,668,713
1,930,588	1,389,174	1,664,104	704,178	1,239,805
162,818	126,645	89,142	46,852	71,535
887,274	830,618	908,380	745,744	795,059
43,872,162	41,652,202	38,694,670	41,807,402	41,470,459
88,824	89,537	90,389	98,961	95,614
29,515,436	27,832,918	25,706,139	24,769,091	23,753,747
6,306,953	6,074,567	5,449,133	-	-
10,138,446	9,746,304	8,161,350	6,881,169	6,950,345
45,960,835	43,653,789	39,316,622	31,650,260	30,704,092
2,126,015	2,074,240	1,898,661	1,769,532	1,692,437
92,047,836	87,469,768	80,000,342	75,326,155	73,962,602

**GOVERNMENTAL REVENUES, BY SOURCE**  
**Last Ten Fiscal Years**

PROGRAM REVENUES			GENERAL REVENUES				TOTAL
Fiscal Year	Charges for Service	Operating Grants, Contributions and Restricted Interest	Property/Sales Taxes	Investment Income	State Aid	Other	
2020-21	\$ 6,839,469	17,360,702	55,218,746	356,158	35,223,836	773,164	115,772,075
2019-20	7,327,440	14,372,672	52,622,926	967,017	34,193,211	1,323,768	110,807,034
2018-19	6,857,278	14,692,194	51,200,229	973,710	33,295,431	1,406,204	108,425,046
2017-18	6,185,038	13,923,397	47,333,112	543,692	32,085,616	1,159,132	101,229,987
2016-17	5,324,406	13,062,251	46,222,416	399,436	31,096,960	2,096,981	98,202,450
2015-16	5,563,995	12,436,212	43,342,625	162,818	29,515,436	1,026,750	92,047,836
2014-15	5,119,031	11,896,003	41,672,600	126,645	27,832,918	822,571	87,469,768
2013-14	5,278,456	9,391,081	37,843,067	89,142	25,706,139	1,692,457	80,000,342
2012-13	5,043,711	8,742,525	35,860,345	46,852	24,769,091	863,631	75,326,155
2011-12	5,020,465	8,729,403	35,695,347	71,535	23,753,747	692,105	73,962,602



Note: Governmental activities only, does not include business activities.

Source: District Audits



**COMPARATIVE RATIO OF DEBT SERVICE TO GOVERNMENTAL FUNDS EXPENDITURES**

**Last Ten Fiscal Years**

Year ending June 30, 2021	2021	2020	2019	2018	2017
Instruction:					
Regular instruction	38,451,615	39,347,512	38,750,238	36,823,617	35,134,637
Special instruction	14,019,362	14,267,261	12,983,952	11,282,922	10,098,221
Other instruction	8,789,258	8,931,755	9,259,212	8,532,447	8,370,945
Support services:					
Student services	2,256,896	2,375,097	2,313,690	2,274,671	2,279,452
Instructional staff services	3,364,008	3,325,919	3,244,276	3,380,314	4,256,407
Administration services	6,880,628	6,622,019	6,379,852	6,418,567	6,224,502
Plant operation and maintenance	9,006,083	8,148,471	8,005,666	6,789,467	5,776,018
Transportation services	4,101,181	4,701,845	4,610,013	4,380,262	4,100,913
Non-instructional programs:					
Food services	17,909	5,235	1,330	22,998	13,222
Community service and education	34,049	175,441	148,969	201,283	200,203
Capital outlay	1,303,098	5,928,821	10,503,462	20,328,773	36,617,228
Debt service:					
Principal	9,194,002	11,316,290	10,721,421	10,679,642	7,570,596
Interest	3,368,597	3,647,480	3,802,560	3,923,232	3,944,651
Services	-	-	104,401	80,332	58,119
Intergovernmental other expenditures	3,300,087	3,177,946	3,110,039	2,977,024	2,840,921
<b>Total expenditures</b>	<b>104,086,773</b>	<b>111,971,092</b>	<b>113,939,081</b>	<b>118,095,551</b>	<b>127,486,035</b>
Less: capital expenditures	1,234,215	5,184,555	9,611,668	18,592,046	34,824,774
<b>Non-capital expenditures</b>	<b>102,852,558</b>	<b>106,786,537</b>	<b>104,327,413</b>	<b>99,503,505</b>	<b>92,661,261</b>
<b>Debt service expenditures</b>	<b>12,562,599</b>	<b>14,963,770</b>	<b>14,523,981</b>	<b>14,602,874</b>	<b>11,515,247</b>
<b>Debt service as a percentage of non-capital expenditures</b>	<b>12.21%</b>	<b>14.01%</b>	<b>13.92%</b>	<b>14.68%</b>	<b>12.43%</b>

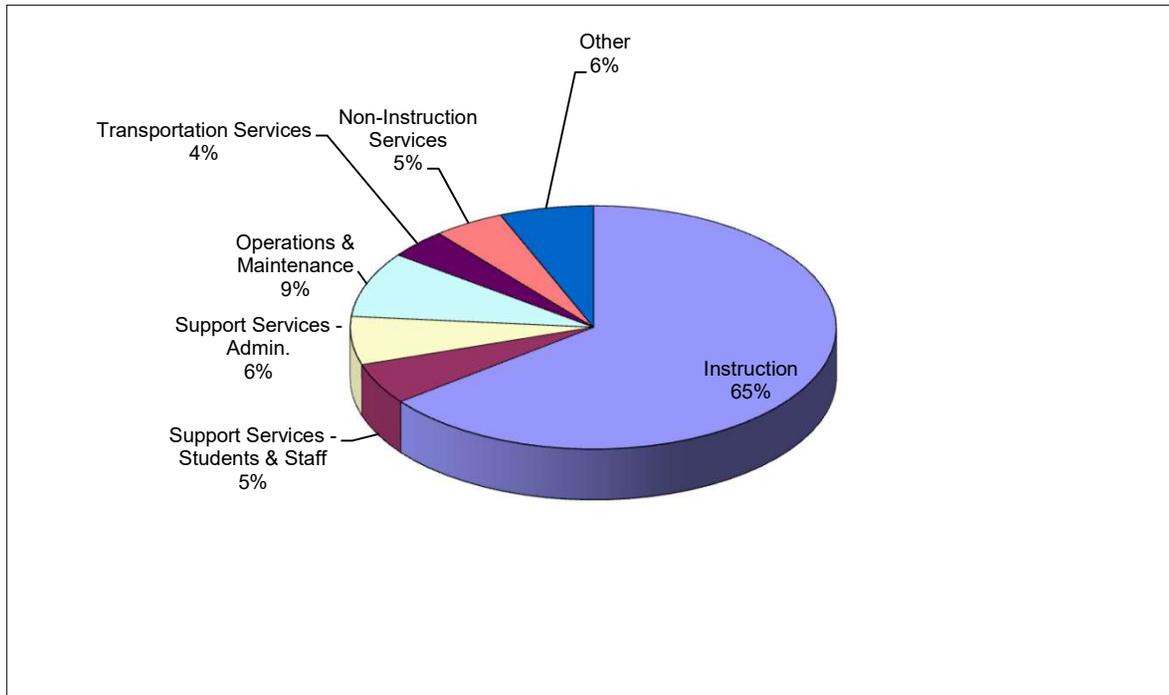
Source: 2021 Certified Annual Report

2016	2015	2014	2013	2012
33,604,284	32,626,297	30,467,849	30,274,566	27,638,864
9,311,875	9,049,507	8,936,782	9,552,833	8,737,716
7,877,884	7,818,352	7,644,581	6,851,147	6,188,208
1,892,148	1,819,763	1,922,828	1,733,474	1,652,186
3,829,694	3,116,176	3,446,669	3,997,094	3,238,683
6,188,422	6,059,234	6,021,436	5,580,409	5,354,058
5,403,883	5,322,847	5,604,645	4,899,107	4,826,922
3,413,497	3,451,604	3,453,897	3,346,722	3,161,811
6,537	12,756	60,845	50,075	22,680
144,963	162,264	153,851	134,712	142,207
39,095,795	25,238,957	4,513,719	3,223,347	10,429,507
22,616,233	13,404,870	4,324,630	4,910,369	4,305,000
3,487,643	3,526,675	1,522,027	1,577,488	1,655,159
152,727	1,000	-	106,294	-
2,746,943	2,610,924	2,448,847	2,307,835	2,236,244
139,772,528	114,221,226	80,522,606	78,545,472	79,589,245
37,880,877	23,811,309	1,244,915	3,780,159	10,383,731
101,891,651	90,409,917	79,277,691	74,765,313	69,205,514
26,103,876	16,931,545	5,846,657	6,487,857	5,960,159
25.62%	18.73%	7.37%	8.68%	8.61%

**GOVERNMENT-WIDE EXPENSES, BY FUNCTION**

**Last Ten Fiscal Years**

Fiscal Year	Instruction	Support Services - Students & Staff	Support Services - Admin.	Operations & Maintenance	Transportation Services	Non-Instruction Services	Other	Totals
2020-21	\$ 68,674,883	5,824,320	6,813,756	9,276,356	4,133,351	5,028,195	6,652,341	106,403,202
2019-20	70,414,755	5,739,161	6,671,235	8,113,422	4,692,702	6,390,529	8,163,274	110,185,078
2018-19	67,068,311	5,493,069	6,146,391	7,851,357	4,611,616	6,836,697	8,488,342	106,495,783
2017-18	62,193,136	5,501,145	6,172,408	6,810,716	4,317,348	6,978,478	9,129,431	101,102,662
2016-17	56,825,307	6,742,740	6,023,950	5,672,304	4,045,455	7,125,764	7,641,622	94,077,142
2015-16	52,795,932	5,859,411	5,350,729	5,282,071	3,429,478	6,892,969	7,974,516	87,585,106
2014-15	49,803,088	5,020,825	5,581,377	5,219,346	3,445,848	6,589,514	8,708,522	84,368,520
2013-14	49,337,355	5,516,009	5,711,829	5,672,497	3,309,073	6,368,130	9,554,433	85,469,326
2012-13	49,036,745	5,343,734	5,305,717	4,919,762	3,222,225	6,040,200	4,567,271	78,435,654
2011-12	44,757,711	5,002,909	5,043,599	4,886,355	3,591,054	5,719,993	3,924,192	72,925,813



Source: District Audits



**OTHER FINANCING SOURCES (USES) AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS**

**Last Ten Fiscal Years**

Year ended June 30, 2021	2021	2020	2019
Excess (deficiency) of revenues over (under) expenditures	11,678,121	(1,164,058)	(5,514,035)
Other financing sources (uses):			
Transfers in	9,285,043	8,657,035	8,252,900
Transfers out	(9,782,431)	(8,464,717)	(8,022,010)
Sale of bonds/Discounts/Premiums			-
Sale of property/equipment	7,181	7,739	14,902
Proceeds from capital lease/lease purchase	-	1,721,703	-
Proceeds from debt issued			8,709,000
<b>Net change in fund balances</b>	11,187,914	757,702	3,440,757

Source: District Audit

2018	2017	2016	2015	2014	2013	2012
(16,865,564)	(29,283,585)	(47,724,692)	(26,751,458)	(522,264)	(3,219,317)	(5,626,643)
8,620,607	5,808,831	5,561,136	3,294,653	1,897,301	2,861,855	3,654,751
(8,396,005)	(5,590,729)	(5,350,592)	(3,124,769)	(1,832,301)	(2,796,855)	(3,654,751)
110,994	195,482	345,363	(1,925)	54,747,368	-	-
14,341	1,466,318	4,791	6,189	3,233	8,652	4,347
-	439,200	723,692	-	-	1,259,869	-
8,235,000	9,320,000	55,300,000	-	-	9,374,113	-
(8,280,627)	(17,644,483)	8,859,698	(26,577,310)	54,293,337	7,488,317	(5,622,296)

**COMPARISONS OF GROWTH IN REVENUE, EXPENDITURES, ENROLLMENT,  
 ASSESSED VALUATION AND TAX RATES - GENERAL FUND BY YEAR  
 Last Ten Fiscal Years**

Fiscal Year	Revenue	Growth	Expenditures	Growth	Enrollment	Growth	Assessed Value	Growth	Tax Rate	Growth
2019-20	\$ 90,407,693	10.9%	\$ 86,582,677	4.2%	7,004.2	-0.8%	\$ 4,513,168,350	11.1%	11.78094	4.6%
2019-20	82,789,930	3.8%	84,959,179	8.0%	7,105.7	0.4%	4,140,306,050	12.8%	11.07691	-12.5%
2018-19	81,525,009	5.5%	83,095,097	11.9%	7,057.6	2.4%	4,060,626,646	14.5%	11.26534	-15.5%
2017-18	79,786,837	6.4%	78,645,374	11.3%	7,074.1	4.7%	3,671,118,493	11.6%	12.66404	-8.8%
2016-17	77,304,648	9.5%	74,250,082	8.6%	6,894.2	4.2%	3,546,265,721	11.6%	13.33817	-2.4%
2015-16	74,965,911	14.6%	70,676,923	8.4%	6,756.1	5.4%	3,288,950,762	4.9%	13.88824	3.6%
2014-15	70,566,918	15.1%	68,388,621	7.7%	6,617.1	5.6%	3,178,778,284	4.0%	13.66094	2.5%
2013-14	65,393,402	6.7%	65,225,022	2.7%	6,408.0	2.2%	3,134,052,888	2.6%	13.41003	0.6%
2012-13	61,310,243	-0.4%	63,484,686	5.5%	6,269.0	2.0%	3,055,537,525	-1.1%	13.32548	-4.2%
2011-12	61,544,827	1.2%	60,153,139	3.9%	6,147.4	0.9%	3,088,909,736	3.4%	13.90275	-4.9%

Source: Polk County Auditor and Certified Annual Report

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**Last Ten Fiscal Years**

Collection Year	Real Property	Personal Property	Railroad & Utilities w/o Gas & Electric	Gas & Electric	Total Assessed Value	Total Taxable Value	Total Direct Rate
2020-21	\$ 4,411,112,484		5,465,664	96,590,202	4,513,168,350	2,825,945,089	17.75113
2019-20	4,038,250,184		5,465,664	96,590,202	4,140,306,050	2,654,845,614	18.35192
2018-19	3,964,594,754	-	5,566,102	90,465,790	4,060,626,646	2,569,837,941	18.35111
2017-18	3,574,111,752	-	5,325,207	91,681,534	3,671,118,493	2,354,339,310	18.32361
2016-17	3,452,812,103	-	5,594,714	87,858,904	3,546,265,721	2,247,010,252	18.35317
2015-16	3,204,905,488	-	6,006,901	78,038,373	3,288,950,762	2,091,826,714	18.35491
2014-15	3,109,427,512	-	6,783,155	62,567,617	3,178,778,284	2,035,596,241	17.35444
2013-14	3,049,121,748	-	7,634,070	77,297,070	3,134,052,888	2,001,735,565	17.35444
2012-13	2,972,775,062	-	7,935,534	74,826,929	3,055,537,525	1,897,678,183	17.35008
2011-12	3,008,100,368	-	7,822,942	72,986,426	3,088,909,736	1,878,286,267	17.3460

Source: Polk County Auditor and Iowa Department of Management

**PROPERTY TAX RATES PER \$1,000 ASSESSED VALUATION  
DIRECT AND OVERLAPPING GOVERNMENTS  
Last Ten Fiscal Years**

Levy Year	Collection Year	Overlapping Rates					District Direct Rates				Ratio of Johnston CSD to Total	
		Polk County	State	Area XI Community College	City	Special	Johnston General Purpose	Johnston Capital Purpose	Johnston Debt Service	Johnston Community School District		
City of Des Moines												
2019	2020-21	\$ 11.21098	0.00270	0.63533	16.61156	-	12.03113	1.67000	4.05000	17.75113	46.21170	0.38413
2018	2019-20	11.31512	0.00280	0.65249	16.64000	-	12.63192	1.67000	4.05000	18.35192	46.96233	0.39078
2017	2018-19	11.00554	0.00290	0.69468	11.52167	-	12.63111	1.67000	4.05000	18.35111	41.57590	0.44139
2016	2017-18	11.02541	0.00310	0.67458	11.38698	-	13.33596	1.67000	3.31765	18.32361	41.41368	0.44245
2015	2016-17	11.22030	0.00330	0.72334	16.92000	0.06151	14.04477	1.67000	2.63840	18.35317	47.28162	0.38817
2014	2015-16	11.64598	0.00330	0.67574	16.92000	0.05484	14.28539	1.67000	2.39952	18.35491	47.65477	0.38516
2013	2014-15	11.34385	0.00330	0.65724	16.92000	0.05669	13.76563	1.67000	1.91881	17.35444	46.33552	0.37454
2012	2013-14	10.93115	0.00330	0.69120	16.92001	0.06911	13.76563	1.67000	1.91881	17.35444	45.96921	0.37752
2011	2012-13	10.66459	0.00330	0.58466	16.91982	0.06011	13.77526	1.67000	1.90482	17.35008	45.58256	0.38063
2010	2011-12	10.45909	0.00320	0.59018	16.58000	0.08531	14.44737	1.67000	1.22862	17.34599	45.06377	0.38492
City of Grimes												
2019	2020-21	\$ 10.88323	0.00270	0.63533	11.71284	-	12.03113	1.67000	4.05000	17.75113	40.98523	0.43311
2018	2019-20	10.97737	0.00280	0.65249	12.81293	-	12.63192	1.67000	4.05000	18.35192	42.79751	0.42881
2017	2018-19	10.97754	0.00290	0.69468	12.91293	-	12.63111	1.67000	4.05000	18.35111	42.93916	0.42737
2016	2017-18	10.99741	0.00310	0.67458	12.91035	-	13.33596	1.67000	3.31765	18.32361	42.90905	0.42703
2015	2016-17	10.99830	0.00330	0.72334	12.91473	-	14.04477	1.67000	2.63840	18.35317	42.99284	0.42689
2014	2015-16	11.42398	0.00330	0.67574	12.91377	-	14.28539	1.67000	2.39952	18.35491	43.37170	0.42320
2013	2014-15	11.12160	0.00330	0.65724	12.91374	-	13.76563	1.67000	1.91881	17.35444	42.05032	0.41271
2012	2013-14	10.70915	0.00330	0.69120	12.91302	-	13.76563	1.67000	1.91881	17.35444	41.67111	0.41646
2011	2012-13	10.44259	0.00330	0.58466	12.90968	-	13.77526	1.67000	1.90482	17.35008	41.29031	0.42020
2010	2011-12	10.23709	0.00320	0.59018	12.90318	-	14.44737	1.67000	1.22862	17.34599	41.07964	0.42225
City of Johnston												
2019	2020-21	\$ 10.92623	0.00270	0.63533	10.63042	-	12.03113	1.67000	4.05000	17.75113	39.94581	0.44438
2018	2019-20	11.03037	0.00280	0.65249	11.64912	-	12.63192	1.67000	4.05000	18.35192	41.68670	0.44023
2017	2018-19	11.00554	0.00290	0.69468	11.52167	-	12.63111	1.67000	4.05000	18.35111	41.57590	0.44139
2016	2017-18	11.02541	0.00310	0.67458	11.38698	-	13.33596	1.67000	3.31765	18.32361	41.41368	0.44245
2015	2016-17	11.02630	0.00330	0.72334	11.40000	-	14.04477	1.67000	2.63840	18.35317	41.50611	0.44218
2014	2015-16	11.45198	0.00330	0.67574	11.50054	-	14.28539	1.67000	2.39952	18.35491	41.98647	0.43716
2013	2014-15	11.14960	0.00330	0.65724	11.34392	-	13.76563	1.67000	1.91881	17.35444	40.50850	0.42841
2012	2013-14	10.73715	0.00330	0.69120	11.15007	-	13.76563	1.67000	1.91881	17.35444	39.93616	0.43455
2011	2012-13	10.47059	0.00330	0.58466	11.29000	-	13.77526	1.67000	1.90482	17.35008	39.69863	0.43704
2010	2011-12	10.26509	0.00320	0.59018	11.09579	-	14.44737	1.67000	1.22862	17.34599	39.30025	0.44137
City of Urbandale												
2019	2020-21	\$ 10.97823	0.00270	0.63533	10.16000	0.16683	12.03113	1.67000	4.05000	17.75113	39.69422	0.44720
2018	2019-20	11.08237	0.00280	0.65249	10.52000	0.15929	12.63192	1.67000	4.05000	18.35192	40.76887	0.45015
2017	2018-19	11.05754	0.00290	0.69468	10.02000	0.06438	12.63111	1.67000	4.05000	18.35111	40.19061	0.45660
2016	2017-18	11.07741	0.00310	0.67458	10.02000	0.06856	13.33596	1.67000	3.31765	18.32361	40.16726	0.45618
2015	2016-17	11.07830	0.00330	0.72334	9.92000	0.06151	14.04477	1.67000	2.63840	18.35317	40.13962	0.45723
2014	2015-16	11.50398	0.00330	0.67574	9.82000	0.05484	14.28539	1.67000	2.39952	18.35491	40.41277	0.45419
2013	2014-15	11.20160	0.00330	0.65724	9.72000	0.05699	13.76563	1.67000	1.91881	17.35444	38.99357	0.44506
2012	2013-14	10.78915	0.00330	0.69120	9.57000	0.06911	13.76563	1.67000	1.91881	17.35444	38.47720	0.45103
2011	2012-13	10.52259	0.00330	0.58466	9.62000	0.06011	13.77526	1.67000	1.90482	17.35008	38.14074	0.45490
2010	2011-12	10.31709	0.00320	0.59018	9.52000	0.08531	14.44737	1.67000	1.22862	17.34599	37.86177	0.45814

Source: Polk County Auditor

**PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2021			2012		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Deere Credit Services	\$ 55,530,000	1	1.97%	\$ 57,303,000	2	3.29%
Pioneer Hi-Bred Co	49,860,373	2	1.76%	37,835,635	1	2.17%
Pioneer Hi-Bred Corn Co	28,201,709	3	1.00%	37,835,635	1	2.17%
Cole OFC Johnston IA LLC	27,000,000	4	0.96%			
ARCP OFC Johnston IA Phase II LLC	25,200,000	5	0.89%			
Pioneer Hi-Bred International Inc	23,040,030	6	0.82%			
Centro GA Haymarket Square LLC	18,865,800	7	0.67%	19,535,000	4	1.12%
Wal-Mart Real Estate Business Trust	13,608,900	8	0.48%			
Gabus Family Properties	13,286,070	9	0.47%			
Mid-American Inv. Co.	13,140,000	10	0.46%	15,707,000	5	0.90%
SCI Des Moines LLC				10,963,100	8	0.63%
MFR Partners III				20,219,830	3	1.16%
Target Corp.				13,780,000	6	0.79%
Spirit SPE Johnston LLC				11,240,000	7	0.64%
Village Square LLC				10,919,000	9	0.63%
Ladco Properties				10,650,000	10	0.61%
<b>Total</b>	<b>\$ 267,732,882</b>		<b>9.47%</b>	<b>\$ 245,988,200</b>		<b>14.10%</b>
Total taxable value	\$ 2,825,945,089			\$1,744,339,727		

Source: Polk County Auditor

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TEN YEARS AGO**

Employer	2021			2012		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Corteva Agriscience	2,500	1	*	2,911	1	*
Johnston Community Schools	1,002	2	*	855	4	*
John Deere Credit	910	3	*	1,100	2	*
Childserve	725	4	*	975	3	*
Iowa National Guard	704	5	*	704	5	*
Goodwill of Central Iowa	375	6	*			*
Heartland Area Education Agency	250	7	*	294	6	*
Bishop Drumm Care Center	245	8	*	238	7	*
Children's Habilitation Center	175	9	*	175	8	*
Iowa Public Television	127	10	*	103	10	*
ITS Inc.				134	9	
<b>Total</b>	<b>7,013</b>			<b>7,489</b>		

\*Information not available

Source: Greater DM Partnership

**PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Fiscal Years**

---

Year ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2021	\$ 46,221,110	\$ 46,195,887	99.95%	538,961	46,734,848	101.11%
2020	44,488,832	43,939,534	98.77%	(5,907)	43,933,627	98.75%
2019	43,229,146	43,133,262	99.78%	2,677	43,135,939	99.78%
2018	39,645,683	39,608,125	99.91%	(34,053)	39,574,072	99.82%
2017	37,894,973	37,880,097	99.96%	4,874	37,884,971	99.97%
2016	35,779,037	35,729,875	99.86%	(31,855)	35,698,020	99.77%
2015	34,950,043	34,936,310	99.96%	4,478	34,940,788	99.97%
2014	32,565,344	32,433,674	99.60%	(72,054)	32,361,620	99.37%
2013	30,519,078	30,485,501	99.89%	6,177	30,491,678	99.91%
2012	30,573,898	30,554,889	99.94%	(11,659)	30,543,230	99.90%

Source: Polk County Cash Management

**PROPERTY TAX RATES****Last Ten Fiscal Years**

---

Fiscal Year	General	Mngt.	Reg. PPEL	Voted PPEL	Debt Service	Total
2020-21	\$ 11.78094	0.25019	0.33000	1.34000	4.05000	17.75113
2019-20	11.07691	1.55501	0.33000	1.34000	4.05000	18.35192
2018-19	11.26534	1.36577	0.33000	1.34000	4.05000	18.35111
2017-18	12.66404	0.67192	0.33000	1.34000	3.31765	18.32361
2016-17	13.33817	0.70660	0.33000	1.34000	2.63840	18.35317
2015-16	13.88824	0.39715	0.33000	1.34000	2.39952	18.35491
2014-15	13.66094	0.35193	0.33000	1.34000	2.67739	18.36026
2013-14	13.41003	0.35560	0.33000	1.34000	1.91881	17.35444
2012-13	13.32548	0.44978	0.33000	1.34000	1.90482	17.35008
2011-12	13.90275	0.54462	0.33000	1.34000	1.22862	17.34599

Source: District records

**PROPERTY TAX LIABILITY****Last Ten Fiscal Years**

Fiscal Year	Assessed Value	Rollback	Taxable Value	Rate	Tax Liability	Change Dollars	Percent
2020-21	200,000	55.07%	110,140	17.75113	1,955	(134)	-6.6%
2019-20	200,000	56.92%	113,840	18.35192	2,089	48	2.3%
2018-19	200,000	55.62%	111,242	18.35111	2,041	(46)	-2.3%
2017-18	200,000	56.94%	113,878	18.32361	2,087	45	2.2%
2016-17	200,000	55.63%	111,252	18.35317	2,042	(4)	-0.2%
2015-16	200,000	55.73%	111,467	18.35491	2,046	213	11.6%
2014-15	200,000	54.40%	108,800	18.36026	1,998	237	13.5%
2013-14	200,000	52.82%	105,633	17.35444	1,833	72	4.1%
2012-13	200,000	50.75%	101,500	17.35008	1,761	77	4.6%
2011-12	200,000	48.53%	97,060	17.34599	1,684	57	3.5%

Source: District records, Polk County Assessor

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING****Last Ten Fiscal Years****(dollars in thousands, except per capita)**

---

Fiscal Year	Population	Assessed Value Property	Legal Debt Limit (5%)	General Obligation Bonds	Debt to Assessed Value	Per Capita
2021	17,278	\$ 4,513,168,350	225,658,418	43,799,603	0.97%	2,535
2020	17,278	4,140,306,050	207,015,303	48,908,298	1.18%	2,831
2019	17,278	4,060,626,646	203,031,332	56,525,000	1.39%	3,272
2018	17,278	3,671,118,493	183,555,925	64,355,000	1.75%	3,725
2017	17,278	3,546,265,721	177,313,286	63,775,000	1.80%	3,691
2016	17,278	3,288,950,762	164,447,538	59,100,000	1.80%	3,421
2015	17,278	3,178,778,284	158,938,914	23,720,000	0.75%	1,373
2014	17,278	3,134,052,888	156,702,644	36,705,000	1.17%	2,124
2013	17,278	3,055,537,525	152,776,876	40,620,000	1.33%	2,351
2012	17,278	3,088,909,736	154,445,487	35,630,000	1.15%	2,062

Source: U.S. Department of Commerce, Bureau of Census (2010 was the first census that contains Johnston school district information-it was just city of Johnston information in the past).

Source: Polk County Auditor and District Records, 100% Valuation Before Rollback and Including TIF

**OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years**  
**(dollars in thousands, except per capita)**

Fiscal Year	Governmental Activities				Total**
	General Obligation Bonds	Sales Tax Revenue Bonds	Equipment and Capital Loan Notes	Obligations Under Lease	
2021	\$ 43,799,603	45,297,575	-	860,411	89,957,589
2020	48,908,298	49,185,924	-	1,270,413	99,364,635
2019	56,525,000	50,974,000	-	-	107,499,000
2018	64,355,000	45,010,000	-	-	109,365,000
2017	63,775,000	47,650,000	-	-	111,425,000
2016	59,100,000	50,190,000	-	-	109,290,000
2015	23,720,000	52,640,000	-	-	76,360,000
2014	37,212,468	52,640,000	-	-	89,852,468
2013	40,620,000	-	-	-	40,620,000
2012	35,630,000	-	730,000	-	36,360,000

\* Includes TIF Valuation

\*\* Total Indebtedness indicates amount of debt at the end of the fiscal year.

\*\*\*Source: U.S. Department of Commerce, Bureau of Census (2010 was the first census that contains Johnston school district information-it was just city of Johnston information before that time).

\*\*\*\*Source: Iowa Department of Revenue

NA-Information not available

---

	100% Assessed Valuation *	Percent of Actual Taxable Value of Property	Population***	Per Capita	Personal Income****	Percentage of Personal Income
\$	4,513,168,350	1.99%	17,278	5,206	N/A	NA
	4,140,306,050	2.40%	17,278	5,751	N/A	NA
	4,060,626,646	2.65%	17,278	6,222	N/A	NA
	3,671,118,493	2.98%	17,278	6,330	N/A	NA
	3,546,265,721	3.14%	17,278	6,449	N/A	NA
	3,288,950,762	3.32%	17,278	6,325	N/A	NA
	3,178,778,284	2.40%	17,278	4,419	N/A	NA
	3,134,052,888	2.87%	17,278	5,200	N/A	NA
	3,055,537,525	1.33%	17,278	2,351	N/A	NA
	3,088,909,736	1.18%	17,278	2,104	1,061,293,731	3.43%

**LEGAL DEBT MARGIN INFORMATION**  
**Last Ten Fiscal Years**

---

Legal Debt Margin Calculation for Fiscal Year 2021	\$ 4,513,168,350
Debt limit (5% of assessed value)	225,658,418
Debt applicable to limit	<u>89,957,589</u>
Legal debt margin	<u><u>\$ 135,700,829</u></u>

Year ended June 30,	2021	2020	2019	2018
Debt limit	225,658,418	207,015,303	203,031,322	183,555,925
Total net debt applicable to limit	<u>89,957,589</u>	<u>98,094,222</u>	<u>107,499,000</u>	<u>111,395,633</u>
Legal debt margin	<u>135,700,829</u>	<u>108,921,081</u>	<u>95,532,322</u>	<u>72,160,292</u>
Total net debt applicable to the limit as a percentage of debt limit	40%	47%	53%	61%

Source: Polk County Auditor and District Records

---

2017	2016	2015	2014	2013	2012
177,313,286	164,447,538	158,938,914	156,702,644	152,776,876	154,445,487
113,629,844	111,566,068	78,556,054	92,287,537	40,620,000	89,957,589
63,683,442	52,881,470	80,382,860	64,415,107	112,156,876	64,487,898
64%	68%	49%	59%	27%	58%

**DEBT LIMIT**

The amount of general obligation debt a political subdivision of the State of Iowa can incur is controlled by the constitutional debt limit, which is an amount equal to 5% of the actual value of property within the corporate limits, taken from the last County Tax list. The district's debt limit, based upon said valuation, amounts to the following:

**Legal Debt Margin Calculation for Fiscal Year 2021**

Actual assessed value	\$ 4,513,168,350
	0.05
Debt Limit:	<u>\$ 225,658,418</u>

Total Direct Debt = \$ 89,957,589 or 47.4% of debt limit.

\*Includes TIF valuation of

**OVERLAPPING AND UNDERLYING DEBT**

	Outstanding	Total Taxable	Valuation	Percent	Amount
Polk County	156,258,713	29,112,436,251	2,825,704,979	9.71%	\$ 15,166,749
DMACC	95,175,000	29,112,436,251	2,825,704,979	9.71%	\$ 9,237,855
Heartland AEA 11	-	29,112,436,251	2,825,704,979	9.71%	\$ -
Urbandale San Sewer Dist	-	2,483,187,495	717,815,846	28.91%	\$ -
City of Des Moines	487,460,000	9,322,358,528	175,262,462	1.88%	\$ 9,164,359
City of Grimes	48,230,000	1,040,731,790	299,471,585	28.78%	\$ 13,878,229
City of Johnston	104,678,336	1,771,250,003	1,773,291,899	100.12%	\$ 104,799,009
City of Urbandale	75,145,000	2,729,510,329	498,087,860	18.25%	\$ 13,712,647
<b>Subtotal, overlapping debt</b>	<u>966,947,049</u>				<u>165,958,849</u>
District direct debt:					
General obligation	43,799,603				43,799,603
Capital loan notes					
Sales tax revenue	<u>45,297,575</u>				<u>45,297,575</u>
<b>Total direct debt</b>	<u>89,097,178</u>				<u>89,097,178</u>
<b>Total direct and overlapping debt</b>	<u>\$ 1,056,044,227</u>				<u>\$ 255,056,027</u>

Source: Polk County Auditor, Government Offices

Compares the taxable valuation of the Johnston Community School District to the taxable valuation of each taxing district less military and includes TIF incremental values, ag land, and gas and electric utility values.

**PLEDGED REVENUE COVERAGE**  
**Last Ten Fiscal Years**

---

Year Ended June 30, 2021	Bonds Issued	Local Option Sales Tax Revenue Bonds				Coverage
		Revenue	Debt Service		Total	
			Principal	Interest		
2021	\$ 45,297,575	7,092,979	3,739,000	1,834,225	\$ 5,573,225	1.2726884
2020	49,185,924	7,313,864	2,850,000	1,982,609	4,832,609	1.5134400
2019	50,974,000	6,684,467	2,745,000	1,968,293	4,713,293	1.41821588
2018	45,010,000	6,442,320	2,640,000	1,952,131	4,592,131	1.40290423
2017	47,650,000	6,998,547	2,540,000	2,052,506	4,592,506	1.5239059
2016	50,190,000	6,306,953	2,450,000	2,149,306	4,599,306	1.37128362
2015	52,640,000	6,148,911	-	2,181,401	2,181,401	2.81878985
2014	52,640,000	*	*	*	*	*
2013	*	*	*	*	*	*
2012	*	*	*	*	*	*

Source; District Records

\* Coverage ratio not applicable as no debt payment in this fiscal year-bonds issued, but no payments until 2014-2015.

## GENERAL INFORMATION

---

The Johnston Community School District is located in central Iowa within the Des Moines Metropolitan area. Included within the District's 25,344 acres are the cities of Johnston and portions of Des Moines, Urbandale and Grimes. Transportation facilities are provided by U.S. Interstates 35 & 80, Iowa Highway 141, as well as numerous paved county roads. Commercial airline service is available at the Des Moines International Airport. Commercial development within the District has been greatly enhanced by the continued growth of the northwestern portion of the metropolitan area. Residential growth and recreational opportunities within the District have been enhanced by the construction of Saylorville Lake, a U.S. Corps of Engineers flood control dam impounding the Des Moines River.



The three major employers within the District are Corteva, Childserve, and John Deere Credit. Corteva is an internationally known producer of hybrid seeds. With over 2,500 employees within the District, Corteva Agriscience was previously the Agriculture Division of DowDuPont (becoming a standalone company June 1, 2019). ChildServe is a not-for-profit organization that partners with families to help children with special health care needs. John Deere Credit provides retail, wholesale and lease financing as well as revolving credit to help facilitate the sale of John Deere agricultural, construction and forestry, and commercial and consumer equipment.

Continuing education centers within commuting distance include: Drake University, Grand View University, Des Moines University, and Mercy College of Health Sciences, all in Des Moines; Iowa State University, Ames; Simpson College, Indianola; and Des Moines Area Community College, Ankeny.

**DEMOGRAPHIC AND ECONOMIC STATISTICS****Last Ten Calendar Years**

Calendar Year	Population *	Personal Income **	Adjusted Gross Income Per Tax Return **	Per Capita Personal Income	Unemployment Rate *** - %
2021	17,278	N/A	N/A	N/A	4.0
2020	17,278	N/A	N/A	N/A	7.1
2019	17,278	\$1,551,620,634	77,092	89,803	2.6
2018	17,278	1,521,817,983	79,344	88,078	2.4
2017	17,278	1,465,351,140	76,400	84,810	2.9
2016	17,278	1,368,506,534	71,351	79,205	3.5
2015	17,278	1,310,825,054	70,905	75,867	3.6
2014	17,278	1,261,836,335	69,557	73,031	4.4
2013	17,278	1,214,695,925	68,841	70,303	4.8
2012	17,278	1,154,230,470	69,132	66,803	5.2

N/A-Not available

\* U.S. Department of Commerce, Bureau of Census (2010 was the first census that contains Johnston school district information-it was just city of Johnston information in the past).

\*\*Iowa Department of Revenue

\*\*\*Iowa Workforce Development annual average county-wide unemployment rate

**CENSUS FIGURES BY AGE GROUP - 2010**

	Johnston	Urbandale	Des Moines
Under 18 years	28.3%	24.8%	24.5%
18 to 24 years	6.6%	6.8%	10.9%
25 to 44 years	28.5%	28.3%	29.0%
45 to 64 years	26.7%	27.7%	24.2%
65 years and over	9.8%	12.5%	11.3%
Median Age	36.8	38.1	33.8

Source: U.S. Department of Commerce, Bureau of Census (2010)

**RETAIL SALES (IN MILLIONS)****Last Ten Calendar Years**

Year ended		Johnston	Des Moines	Polk County	State
2020	\$	164.1	3,982.8	8,691.8	40,012.6
2019		175.1	4,044.7	8,762.8	40,127.1
2018		170.1	3,980.3	8,522.3	39,330.0
2017		151.4	3,851.7	8,312.0	38,956.5
2016		151.9	3,789.2	8,073.5	38,419.5
2015		139.7	3,661.2	7,736.2	37,526.3
2014		157.2	3,439.9	7,291.7	35,847.6
2013		156.5	3,325.4	6,970.0	34,800.6
2012		159.6	3,264.3	6,786.9	34,538.0
2011		148.6	3,195.1	6,563.6	32,904.0

Source: Iowa Department of Revenue & Finance

**BANK DEPOSITS**

---

Institution	June 30, 2021 Deposits inside Market
Community State Bank	\$231,545,000
Wells Fargo Bank	167,750,000
Charter Bank	100,673,000
Grinnell State Bank	84,263,000
Bank Iowa	41,996,000
Bank of the West	33,777,000
Liberty National Bank	22,247,000
ITS Bank	500,000
	<hr/> <hr/>
	\$682,751,000

Source: FDIC Deposit Market Share Report, Zip Code 50131

**RESIDENTIAL CONSTRUCTION BY NUMBER OF DWELLING UNITS****Last Ten Calendar Years**

Year	Single Family	Townhome	Multi-family	Totals
2020	87	12	48	147
2019	55	14	144	213
2018	72	17	118	207
2017	68	14	118	200
2016	105	18	75	198
2015	124	45	395	564
2014	86	42	98	226
2013	101	23	109	233
2012	113	14	275	402
2011	139	27	16	182
<b>Total</b>	<b>1,489</b>	<b>393</b>	<b>1,617</b>	<b>3,499</b>

Source: City of Johnston Planning Department

**DISTRICT STAFFING LEVELS -- General Fund (FTE)**  
**Last Ten Fiscal Years**

	For Fiscal Year ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Administration:</b>										
Superintendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assoc. Supt.	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	1.0
Principals	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Assist. Principals	4.0	4.0	4.0	4.0	5.5	8.0	8.0	9.0	4.0	4.0
Other Admin.	14.6	14.6	13.6	13.6	12.2	9.0	9.0	9.0	10.0	8.0
<b>Total Administration</b>	<b>28.6</b>	<b>28.6</b>	<b>27.6</b>	<b>27.6</b>	<b>27.7</b>	<b>27.0</b>	<b>27.0</b>	<b>28.0</b>	<b>23.0</b>	<b>22.0</b>
<b>Supervisors/ Coordinators/Managers</b>										
	2.1	2.1	2.1	2.1	1.5	3.0	3.0	3.0	3.0	3.0
<b>Instruction:</b>										
Teachers	466.4	462.9	454.0	445.9	435.2	429.8	429.4	425.0	425.7	415.5
Counselors, Deans	19.5	20.0	20.0	20.0	15.0	10.0	13.0	10.5	15.5	15.5
Media Spec.	7.0	7.0	7.0	7.0	7.0	7.0	8.0	8.0	8.0	8.0
Other Instructors	-	-	-	-	-	-	2.0	3.0	3.0	3.0
<b>Total Instruction</b>	<b>492.9</b>	<b>489.9</b>	<b>481.0</b>	<b>472.9</b>	<b>457.2</b>	<b>446.8</b>	<b>452.4</b>	<b>446.5</b>	<b>452.2</b>	<b>442.0</b>
<b>Professional/Other</b>										
Nurses	8.0	8.0	8.0	8.5	8.5	8.5	8.0	8.0	8.0	8.3
Other Professional Staff	8.0	7.6	7.6	7.0	8.6	8.2	5.6	5.7	6.6	6.5
<b>Total Professional/Other</b>	<b>16.0</b>	<b>15.6</b>	<b>15.6</b>	<b>15.5</b>	<b>17.1</b>	<b>16.7</b>	<b>13.6</b>	<b>13.7</b>	<b>14.6</b>	<b>14.8</b>
<b>Instructional Support Personnel:</b>										
	220.1	217.9	202.1	169.6	156.3	150.0	133.7	125.6	139.6	139.2
<b>Support Personnel:</b>										
Office/Clerical	27.6	27.0	27.0	28.0	27.0	30.0	29.8	29.0	29.0	29.5
Transportation	13.3	16.5	12.8	14.0	12.3	54.0	49.6	51.2	47.4	55.0
Op. & Maintenance	53.1	53.8	52.4	46.8	43.8	45.5	42.6	40.6	42.6	42.5
Service Personnel	9.0	7.0	7.0	6.0	6.0	6.0	5.0	5.0	4.0	4.0
<b>Total Support Personnel</b>	<b>103.0</b>	<b>104.3</b>	<b>99.2</b>	<b>94.8</b>	<b>89.1</b>	<b>135.5</b>	<b>126.9</b>	<b>125.8</b>	<b>123.0</b>	<b>131.0</b>
<b>Grand Totals</b>										
	<b>862.7</b>	<b>858.4</b>	<b>827.6</b>	<b>782.5</b>	<b>748.9</b>	<b>779.0</b>	<b>756.6</b>	<b>742.6</b>	<b>755.4</b>	<b>752.0</b>
Certified Enrollment	7,004.2	7,105.7	7,057.6	7,074.1	6,894.2	6,756.1	6,616.0	6,409.0	6,269.0	6,148.0
Employees/Student	8.1	8.3	8.5	9.0	9.2	8.7	8.7	8.6	8.3	8.2
Pupil/Teacher	14.2	14.5	14.7	15.0	15.1	15.1	14.6	14.4	13.9	13.9

Source: District Data

**OPERATING COST PER PUPIL****Last Ten Fiscal Years**

---

Fiscal Year	Total Costs	Daily Average Membership	General Fund Operating Expenses Per Pupil	Free or Reduced Percentage
2020-21	\$ 85,982,677	7,027	\$ 12,236	25.90%
2019-20	84,937,989	7,113	11,941	24.40%
2018-19	83,095,097	7,043	11,798	24.90%
2017-18	78,645,374	7,122	11,043	23.20%
2016-17	74,250,082	6,975	10,645	20.60%
2015-16	70,676,923	6,802	10,391	18.80%
2014-15	68,388,621	6,649	10,286	18.00%
2013-14	65,225,022	6,564	9,937	17.60%
2012-13	63,484,686	6,393	9,930	17.90%
2011-12	60,153,139	6,218	9,674	16.40%

Source: 2021 Certified Annual Report/Student Reporting in Iowa



**GENERAL ANALYSIS OF FACILITIES**  
**Last Ten Fiscal Years**

	2021	2020	2019	2018	2017	2016
<b>Elementary Schools:</b>						
Lawson K-5 (1958, 1960, 1967, 1998, 2012)						
Square Feet	82,532	82,532	82,532	82,532	82,532	82,532
Number of classrooms	47	47	47	47	47	47
Enrollment	594	628	591	576	581	576
Wallace PK-5 (1987, 1989)						
Square Feet				66,064	66,064	66,064
Number of classrooms				44	44	44
Enrollment				595	544	509
Wallace PK-5 (1984, 1990, 2007, 2018-Previous JMS)						
Square Feet	164,722	164,722	164,722			
Number of classrooms	44	44	44			
Enrollment	980	910	868			
Beaver Creek K-5 (1997, 2001)						
Square Feet	96,125	96,125	96,125	96,125	96,125	96,125
Number of classrooms	45	45	45	45	45	45
Enrollment	587	601	620	661	649	641
Horizon K-5 (2001)						
Square Feet	100,506		100,506	100,506	100,506	100,506
Number of classrooms	44		44	44	44	44
Enrollment	641		671	662	641	657
Timber Ridge K-5 (2007, 2013)						
Square Feet	122,181		122,181	122,181	122,181	122,181
Number of classrooms	48		48	48	48	48
Enrollment	643		660	735	718	705
<b>Middle Schools:</b>						
Summit Middle School 6-7 (2004, 2007, 2012)						
Square Feet	191,680		191,680	191,680	191,680	191,680
Number of classrooms	75		75	75	75	75
Enrollment	1,139		1,103	1,122	1,112	1,095
Johnston Middle School (1984,1990,2007)						
Square Feet					176,366	176,366
Number of classrooms					68	68
Enrollment					1,078	1,050
Johnston Middle School (1972,1977,1994,2008, 2017-Previous JHS)						
Square Feet	263,829	263,829	263,829	263,829		
Number of classrooms	88	88	88	88		
Enrollment	1,137	1,159	1,166	1,146		
<b>High School:</b>						
Johnston High School (1972, 1977, 1994, 2008)						
Square Feet					263,829	263,829
Number of classrooms					88	88
Enrollment					1,590	1,569
<b>High School:</b>						
Johnston High School (2017)						
Square Feet	369,000	369,000	369,000	369,000		
Number of classrooms	88	88	88	88		
Enrollment	1,778	1,725	1,679	1,623		
<b>Other facilities:</b>						
Administrative Resource Center ( Previous DO-unoccupied)						
Square Feet	16,509	16,509	16,509	16,509	16,509	16,509
District Office (Previous Wallace PK-5 1987,1989,2019)						
Square Feet-Renovated Space	36,305	36,305				
Square Feet-Unrenovated/Unoccupied	29,759	29,759				
Transportation and BG (2000, 2007)						
Square Feet	17,040	17,040	17,040	17,040	17,040	17,040
Wallace Annex (1987)						
Square Feet	5,405	5,405	5,405	5,405	5,405	5,405
Number of classrooms	3	3	3	3	3	3
Warehouse (2000) and BG (2010)						
Square Feet	7,935	7,935	7,935	7,935	7,935	7,935

Source: District Information

The new High School opened fall 2017, and Johnston Middle School then moved into the old High School Building. The previous Johnston Middle School Building underwent renovations during fiscal year 2017-2018 and opened fall 2018-2019 as Wallace Elementary/Johnston Early Learning Academy. The previous Wallace Elementary underwent renovations 2019, and became the District Office fall 2019.

2015	2014	2013	2012
82,532	82,532	82,532	82,532
47	47	47	47
574	692	615	478
66,064	66,064	66,064	66,064
44	44	44	44
550	567	513	536
96,125	96,125	96,125	96,125
45	45	45	45
695	723	767	846
100,506	100,506	100,506	100,506
44	44	44	44
665	701	729	686
122,181	122,181	116,681	111,281
48	48	48	42
707	537	505	536
191,680	191,680	191,680	191,680
75	75	75	75
1,052	1,026	1,017	1,007
176,366	176,366	176,366	176,366
68	68	68	68
1,042	1,026	999	972
263,829	263,829	263,829	263,829
88	88	88	88
1,557	1,450	1,360	1,310
16,509	16,509	16,509	16,509
17,040	17,040	17,040	17,040
5,405	5,405	5,405	5,405
3	3	3	3
7,935	7,935	7,935	7,935

**SCHEDULE OF INSURANCE COVERAGE**  
**June 30, 2021**

Company	Type of Policy	Period	
		From	To
Employers Mutual Companies	Business Protection - property coverage	7/1/2020	6/30/2021
Employers Mutual Companies	Business Protection - General Comprehensive Liability	7/1/2020	6/30/2021
Employers Mutual Companies	Business Protection - Automobile	7/1/2020	6/30/2021
Employers Mutual Companies	Business Protection- Crime Coverage	7/1/2020	6/30/2021
Employers Mutual Companies	Workers' Compensation	7/1/2020	6/30/2021
Employers Mutual Companies	Umbrella Liability	7/1/2020	6/30/2021
Employers Mutual Companies	Linebacker Policy - Errors and Omission Coverage	7/1/2020	6/30/2021
Employers Mutual Companies	Pollution Liability	7/1/2020	6/30/2021
Employers Mutual Companies	Excess Liability	7/1/2020	6/30/2021
Employers Mutual Companies	Flood	7/1/2020	6/30/2021
Employers Mutual Companies	Cyber Liability	7/1/2020	6/30/2021

Source: District Records

Note: The dollar amount for self insured reflects the amount paid during fiscal year 2021.

Liability Limits	Annual Premium
Building and property replacement; blanket boiler and vessels - business interruption and extra expense, earthquake	\$ 422,441
\$2,000,000 each occurrence/\$4,000,000 aggregate/Abuse and Molestation Coverage incl./ Schedule Affiliate Groups included as additional insureds school violet event coverage \$100,000	43,054
\$2,000,000 combined single limit/Uninsured and Underinsured motorist/\$5,000 auto medical per person; compr and collision/\$50,000 limit garage keepers at HS	30,800
Employee Theft per employee \$1,000,000; forgery or alterations \$100,000; Computer Fraud \$1,000,000; Funds Transfer fraud \$1,000,000	5,223
Self Insured-\$350,000 retention per occurrence, \$500,000 employer's liability maximum limit of indemnity per occurrence	97,897
\$12,000,000 each occurrence and aggregate/\$10,000 retained limit	20,880
\$2,000,000 Linebacker each loss & agg/additional insureds/ \$5,000 deductible	12,475
\$500,000 each incident, \$1,000,000 aggregate/\$250 deductible	1,125
\$15,000,000 limit each occurrence/aggregate/limit shared by all IASB policy holders	13,808
HS, SM, MS, BC, HZ, LW, TR, WL, Transportation/B&G, and DO	38,060
\$2,000,000 each loss and aggregate/\$25,000 retention each loss	13,635
Total Premium	-
	\$ 699,398



**Johnston Community School District**  
**Schedule of Expenditures of Federal Awards**  
**Year ended June 30, 2021**

Grantor/Program	Assistance Listing Number		Expenditures
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Education:			
Child Nutrition Cluster:			
National School Lunch Program	10.555	FY 21	\$ 207,402
Child Nutrition Program CARES Grants to States	10.555	FY 21	305,821
Summer Food Service Program for Children	10.559	FY 21	2,443,750
			<u>2,956,973</u>
Pandemic EBT Administrative Costs	10.649	FY 21	12,138
U.S. Department of Education:			
Iowa Department of Education:			
Title I Grants to Local Educational Agencies	84.010	FY21	<u>214,932</u>
Title I Program for Neglected & Delinquent Children	84.010	FY20	<u>29,405</u>
Title I SINA	84.010	FY21	72,508
Career and Technical Education - Basic Grants to States	84.048	FY21	<u>42,275</u>
Title III - English Language Acquisition	84.365	FY21	<u>6,618</u>
Supporting Effective Instruction State Grants	84.367	FY21	<u>200,220</u>
Title IV - Student Support and Academic Enrichment	84.424	FY21	<u>19,444</u>
Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act (CARES) Cluster:			
COVID-19 Governor's Emergency Education Relief (GEER) Funds	84.425C	FY21	104,800
COVID-19 Elementary and Secondary School Relief (ESSER) Funds	84.425D	FY21	87,559
COVID-19 Elementary and Secondary School Relief (ESSER II) Funds	84.425D	FY21	<u>1,034,071</u>
			<u>1,226,430</u>
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER III)	84.425U	FY21	1,410,700
Heartland Area Education Agency			
Special Education - Grants to States	84.027	FY21	<u>325,707</u>
U.S. Department of Human Services:			
Iowa Department of Human Services:			
Childcare Development Block Grant	93.575	FY21	<u>212,000</u>
U.S. Department of Homeland Security			
Federal Emergency Management Agency			
Disaster Grant - Public Assistance	97.036	FY21	<u>118,501</u>
Total			<u>\$ 6,847,851</u>

See Notes to Schedule of Expenditures of Federal Awards.

**Johnston Community School District**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2021**

---

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Johnston Community School District under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Johnston Community School District, it is not intended to and does not present the financial position, changes in financial position or cash flows of Johnston Community School District.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following, as applicable, the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3. Indirect Cost Rate**

Johnston Community School District uses a federally negotiated indirect cost rate as allowed under the Uniform Guidance.

**Note 4. Noncash Assistance**

The schedule includes federal awards in the form of noncash assistance (commodities) received during the year in the amount of \$207,402 related to USDA Commodities grants provided by the U.S. Department of Agriculture passed through the Iowa Department of Education, CFDA No. 10.555.



705 Main Street  
Pella, IA 50219  
Ph.: 641-628-3737  
Fax: 641-628-3757

[www.vanmaanencpa.com](http://www.vanmaanencpa.com)

**Van Maanen, Sietstra, Meyer & Nikkel, PC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Education of  
Johnston Community School District:

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Johnston Community School District, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 15, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Johnston Community School District's internal control over financial reporting as a basis for designing audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Johnston Community School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Johnston Community School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Johnston Community School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters which are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2021 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

#### Johnston School District's Responses to the Findings

Johnston Community School District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Johnston Community School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Johnston Community School District during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

*Van Maanen, Sietstra, Meyer & Nikkel PC*

Van Maanen, Sietstra, Meyer & Nikkel, PC  
Certified Public Accountants

November 15, 2021



705 Main Street  
Pella, IA 50219  
Ph.: 641-628-3737  
Fax: 641-628-3757

[www.vanmaanencpa.com](http://www.vanmaanencpa.com)

**Van Maanen, Sietstra, Meyer & Nikkel, PC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**Independent Auditor's Report on Compliance for Each Major Federal Program and  
on Internal Control over Compliance Required by the Uniform Guidance**

To the Board of Education of Johnston Community School District:

Report on Compliance for Each Major Federal Program

We have audited Johnston Community School District's compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021. Johnston Community School District's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Johnston Community School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2, U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Johnston Community School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Johnston Community School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Johnston Community School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

## Report on Internal Control Over Compliance

The management of Johnston Community School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Johnston Community School District's internal control over compliance with type of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Johnston Community School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Van Maanen, Sietstra, Meyer & Nikkel PC*

Van Maanen, Sietstra, Meyer & Nikkel, PC  
Certified Public Accountants

November 15, 2021

**Part I: Summary of the Independent Auditor's Results**

- (a) Unmodified opinions were issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- (b) No material weaknesses in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over major programs were disclosed by the audit of the financial statements.
- (e) An unmodified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit did not disclose any audit findings which are required to be reported in accordance with the Uniform Guidance, Section 200.516(a).
- (g) Major programs were as follows:
  - Child Nutrition Cluster:
    - Assistance Listing Number 10.555 – National School Lunch Program
    - Assistance Listing Number 10.555 – Child Nutrition Program CARES Grants to States
    - Assistance Listing Number 10.559—Summer Food Service Program for Children
  - Education Stabilization Fund Cluster:
    - Assistance Listing Number 84.425C – COVID-19 Governor's Emergency Education Relief Funds
    - Assistance Listing Number 84.425D – COVID-19 Elementary and Secondary School Relief Funds
  - Assistance Listing Number 84.425U - American Rescue Plan Elementary and Secondary School Emergency Relief
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) Johnston Community School District qualified as a low-risk auditee.

**Part II: Findings Related to the Financial Statements**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

No matters were noted.

**Part III: Findings and Questioned Costs for Federal Awards**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

No matters were noted.

**Johnston Community School District  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2021**

---

**Part IV: Other Findings Related to Required Statutory Reporting**

- IV-A-21      Certified Budget – Expenditures for the year ended June 30, 2021 did not exceed the certified budget amounts.
- IV-B-21      Questionable Expenditures - No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.
- IV-C-21      Travel Expense - No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.
- IV-D-21      Business Transactions - No business transactions were noted between the District and District officials or employees.
- IV-E-21      Restricted Donor Activity – No transactions were noted between the District, District officials or District employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.
- IV-F-21      Bond Coverage - Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that coverage is adequate for current operations.
- IV-G-21      Board Minutes - No transactions were noted requiring Board approval which had not been approved by the Board.
- IV-H-21      Certified Enrollment – Variances in the basic enrollment data certified to the Iowa Department of Education were noted.  
  
Recommendation – The certified enrollment data should be corrected.  
  
Response – The Iowa Department of Education and the Iowa Department of Management will be notified of the error.  
  
Conclusion – Response accepted.
- IV-I-21      Supplementary Weighting – Variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.  
  
Recommendation – The supplementary weighting data should be corrected.  
  
Response – The Iowa Department of Education and the Iowa Department of Management will be notified of the error.  
  
Conclusion – Response accepted
- IV-J-21      Deposits and Investments - No instances of noncompliance were noted with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the District's investment policy.
- IV-K-21      Certified Annual Report - The Certified Annual Report was filed with the Department of Education timely and we noted no significant deficiencies in the amounts reported.
- IV-L-21      Categorical Funding – No instances were noted of categorical funding used to supplant rather than supplement other funds.

**Johnston Community School District  
 Schedule of Findings and Questioned Costs  
 Year ended June 30, 2021**

---

IV-M-21 Statewide Sales, Services and Use Tax – No instances of non-compliance with the use of the statewide sales, services and use tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2021, the District reported the following information regarding the statewide sales, services and use tax revenue in the District's CAR:

Statewide sales, services and use tax

Beginning balance		\$	7,532,170
Revenues/transfers in:			
Sales tax revenues	\$	7,092,979	
Other local revenues		18,092	<u>7,111,071</u>
Expenditures/transfers out:			
School infrastructure construction		882,323	
Regular instruction		147,652	
Instructional staff services		616,308	
Administration		153,823	
Plant and operation maintenance		102,604	
Debt service		-	
Transfers to other funds:			
Debt service funds		<u>6,030,516</u>	<u>7,933,226</u>
Ending balance		\$	<u>6,710,015</u>

For the year ended June 30, 2021, the District did not reduce any levies as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.

IV-N-21 Deficit Balances – The Community Education Fund and the Community Preschool Fund had deficit balances at June 30, 2021.

Recommendation – The District should continue to investigate alternatives to eliminate this deficit in order to return this fund to a sound financial condition.

Response – The District is continuing to investigate alternatives to minimize the deficit in the Community Education Fund and the Community Preschool Fund at the end of the fiscal year.

This deficit in the Enterprise, Community Education Fund results from recognizing net pension liability (approximately \$400,000) as required by generally accepted auditing principles and is based on the District's employer share of contributions to IPERS relative to the contributions of all IPERS participating employers. This liability is only payable as the District pays the District's employer share of IPERS contributions on payrolls in the future years.

This deficit in the Enterprise, Community Preschool Fund results from recognizing the net pension liability (approximately \$175,000) as required by generally accepted auditing principles and is based on the District's employer share of contributions to IPERS relative to the contributions of all IPERS participating employers. This liability is only payable as the District pays the District's employer share of IPERS contributions on payrolls in the future years.

The deficits in both Enterprise Funds increased substantially this fiscal year due to the COVID pandemic school closure resulting in a disruption of revenues with continued expenditures.

Conclusion – Response accepted.